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THE STATISTICS presented by Donald Richberg purporting to show huge economic gains under the New Deal bear the earmarks of careful selection. It is obviously unfair, for example, to take March, 1933, when all the banks of the country were closed, as a basis upon which to chart business advance. Eliminating such comparisons, what do we have? Mr. Richberg reports an increase of 2,000,000 in employment between June, 1933, and June, 1934, and a 37½ per cent increase in weekly pay rolls. Adjusting for changes in employment, this indicates an increase in per capita wages of 8 per cent, which is somewhat less than the reputed increase in living costs. This is not so serious, but had Mr. Richberg chosen July instead of June as a basis for calculation he would have found that the indices of industrial production are running about 20 per cent below those of a year ago, and that employment is already nearly 5 per cent lower than in mid-spring. If we should take the period from Labor Day to Labor Day, there would most certainly be no gain in production or employment, and there would be a substantial decline in living standards. Other aspects of Mr. Richberg's interesting report will be examined in some detail in an early issue of *The Nation*.

WE REGRET that we cannot join unreservedly in the popular acclaim of the new Cuban reciprocity treaty. While usually we accept tariff reductions with no questions asked, this particular agreement strikes us as somewhat inequitable. The United States has agreed to reduce its duty on Cuban sugar by six-tenths of a cent a pound, and to make substantial concessions in the duty on leaf tobacco—the two most important Cuban exports. But in both cases import quotas are to be imposed restricting Cuban sales to a specified amount. Under the circumstances it is an open question whether the Cuban producers will be in a position—by organization or otherwise—to profit by the tariff reduction, or whether it will result in lower prices. The only indisputable concessions obtained by Cuba are a lowering of the duty on rum and a seasonal tariff on vegetables. In exchange for these somewhat dubious advantages Cuba has agreed to cut the tariff on American products to an amazing extent. The duty on lard is to be reduced from $9.18 to $2.73 a hundred pounds; that on vegetable oils from $4.36 to 88 cents per hundredweight. Increased preferences are to be granted to the United States on cotton manufactures and textile goods, and important concessions made on a long range of other articles. These reductions should benefit the Cuban consumer as well as the American producer, but they do little toward restoring the necessary balance in American foreign trade. The failure to make provision for a substantial increase in purchases from Cuba must of necessity mean that the market for American exports will continue to be much more limited than it would otherwise be. The treaty indicates, in other words, that equality of bargaining power is a myth, and that despite the warning of economists the United States remains export- rather than import-minded. But whatever its merits or demerits, the agreement is scarcely a fair test of the Administration's new tariff policy. The United States has maintained special reciprocal relations with Cuba since 1902, and the concessions granted are therefore not to be extended to other countries under the most-favored-nation clause. We must await agreements of a more general character before passing judgment.

IN WASHINGTON the discussion of the Russian debt has reached a point which leaves fairly clear what the compromise must be if negotiations are not to fail altogether. The most important Soviet thesis has long been conceded by the State Department. The debt is to be repaid, not in capital, but by adding about 2 per cent to the normal interest charge of new credits to Russia to be granted in America. Now the issue is whether these shall be long-term credits or short. When this has been threshed out, the further question remains of how large shall be the actual capital figure which settles American claims in full. The Soviet Union wants twenty-year loans but probably would take some of the credits for ten and fifteen years. The State Department, ac-

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curately gauging American prejudice against loans to foreign governments, is not willing to sanction loans for more than five years. The Soviet Union does not feel it can wisely increase its short-term indebtedness. A debt settlement on the American basis sets a precedent for like settlements with Britain and France, whose claims are larger than ours. Russia has outstanding short-term credits in both countries, and both might require payment of supplementary interest for the benefit of their own holders of Russian bonds. Germany, too, has advanced short-term credits without asking a debt settlement, but under the Rapallo treaty, in which she renounced debt claims, is entitled to reconsideration if more favorable arrangements are made with other countries. If Britain, France, and Germany start collecting debts in this way America's share in the limited purchases to be made by Russia abroad would be cut down.

THE SOVIET POLICY in any case is to reduce short-term indebtedness. Most of it was contracted under the emergency of the Five-Year Plan, and at a time of expanding world trade. Now Russia is able to build most of its own industrial plant, and world trade is at its lowest ebb. Soviet economists consider it folly to plan an increase of exports to support an expansion of short-term credits. If the State Department looks upon these debt negotiations as an ordinary commercial transaction, the Soviet arguments can be ignored, long-term credits can be refused, and the settlement can go by the boards. But a settlement of this kind is political, and compromise is in order. Moreover, the Soviet Union is waiting to make substantial purchases as soon as credits can be opened. The amount naturally depends on the final figure fixed for the debt to be repaid. But around $50,000,000 in oil machinery, spare machinery parts, railway equipment, and copper would be spent almost at once, with more to follow. This consideration will weigh heavily with the State Department. As to the final debt figure, various sums have been mentioned ranging from $50,000,000 to $200,000,000. Here the Soviet government labors under the handicap that any recognition of a large amount of the American loans to Kerensky will be hard to justify to Soviet workers, since much of the money was employed to finance the Kolchak counter-revolution.

BY RAISING THE BOGY of national defense, President Roosevelt has dispelled any hope that the Administration might support Secretary Wallace in his forthright attack on ship subsidies. Pointing to the undeniable fact that foreign countries can only pay for American products in goods or services, Mr. Wallace suggested that it would be to our economic advantage to concentrate on the development of our natural resources, leaving the carrying trade largely to foreigners. Instead of aiding the farmer, as the shippers have always claimed, he indicated that a subsidized American merchant marine is in reality a hindrance to the restoration of agricultural exports. Needless to say, Mr. Wallace's suggestion threw the shipping interests into a veritable panic. Senator Fletcher charged the Secretary with holding the "idealistic" theory that imports and exports should balance, and thereupon proceeded to adduce a series of somewhat threadbare arguments as to the folly of turning over our trade to foreign ships. The extent to which shipowners and their paid propagandists have been able to deceive the public regarding the fundamentals of the shipping controversy is brought out in two provocative articles by William Adams appearing in *The Nation* this week and the week following. Stripped of verbiage, it is evident that the shipping game has been little more than a gigantic racket in which a few powerful individuals have mulcted the American people of tens of millions of dollars. A thorough investigation is called for, and it is to be hoped that the President's statement does not indicate a closed mind on this important issue.

THE COLLAPSE OF THE WHEAT PACT illustrates once again the inherent difficulty of international planning. Frightened into docility by the specter of a huge world carry-over, the wheat-growing nations agreed a year ago to restrict the export of wheat in accordance with specified quotas. Unfortunately, however, little allowance was made for the vagaries of nature. During the past year Argentina had a bumper crop, while in Australia, Europe, and North America drought greatly curtailed production. As a result the Argentine exceeded its export quota by 34,000,000 bushels, while many of the other countries fell considerably short of their allotments. With prices up and world stocks considerably reduced, the Argentine representative on the wheat advisory committee at its recent meeting in London stoutly refused to consider further restrictions which would apply to his country or to make any adjustment in next year's quota to compensate for having exceeded the amount set for 1933. Unable to reconcile the differences between Canada and Argentina, the committee adjourned without establishing quotas for the coming year, thus leaving the agreement practically inoperative. This setback does not necessarily mean that world planning is impracticable. Despite Argentina's intransigence, it must be admitted that the pact has served its purpose during the past year. With greater flexibility, provision of means of storing surpluses, and the creation of machinery for representing consumer interests, it would be possible to eliminate most of the difficulties which have been encountered in these early experiments. Failure to meet this challenge will inevitably lead to a return to conditions such as the world faced prior to 1933.

CONTRASTING "eating under capitalism with starvation in Russia," the New York *Times,* in an editorial published July 15, quoted with approval a statement recently made by John W. Davis to the effect that one of the achievements of capitalism is that it has "fed and housed and warmed and clothed" the population of the Western world. The Soviet Union, on the other hand, was said to have "failed no less than three times in the elementary duty of providing the people with bread—even at half rations." Five days later a dispatch from Walter Duranty declared that in total volume this year's harvest in the Soviet Union will be no less than the record-breaking one of 1933, although the wheat and rye crops may be somewhat less. And then, on August 23, there came a further dispatch telling of an increase of 36 per cent in the volume of retail trade during the first six months of 1934. Production as a whole was 20 per cent higher than in the corresponding months of 1933, as compared with an increase of only 9 per cent in the previous year. The output of heavy industry was up 29 per cent, that of light industry slightly more than 10 per cent, and there was a considerable increase in production of handicraft articles on the collective farms. We are not cruel

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enough to propose that these figures be compared with corresponding ones in this country; we merely suggest that the *Times* work out a better system of coordination between its news and editorial departments.

IN ORDERING THE REINSTATEMENT of John Donovan the National Labor Relations Board sharpened justice with courage and tempered the law with wisdom. Had the board wished to temporize, it would have been easy to find some technical pretext upon which to justify General Johnson's discharge of the president of the NRA Employees' Union. But the board held fast to the simple question: Was Donovan dismissed because of his activities as president of the union? To this question it gave a straightforward answer: ". . . we are satisfied that the controlling reason for Donovan's discharge was his conduct as the head of a delegation of union employees which met on June 18 in the anteroom of General Johnson's office, pursuant to a noon appointment with the General." According to the strict letter of the law, the NRA itself is not subject to the obligations established by Section 7-a. Nevertheless, in appraising Donovan's conduct, the board applied the standards of that section, explaining that "when the NRA is engaged in compelling employers to observe strictly the provisions of Section 7-a, it should, in dealing with its employees, carry out the purpose of that section with even more scrupulous care than might be expected of ordinary employers." Despite its sovereignty, the state is not above the law; when the government sets forth to clean the stables of private industry, it should first take care to preserve the decencies in its own domain. The board's decision does more than safeguard the right of collective bargaining among public employees. It demonstrates that the National Labor Relations Board is a fit instrument to carry out the labor mandate of the Recovery Act.

NEWSPAPERMEN, none too comfortable in their new role, are on the picket line again. A month ago their right to organize was challenged by E. I. Newhouse, publisher of the Long Island *Daily Press,* who discharged nine of his editorial employees for joining the Newspaper Guild. The vigorous picketing and boycott campaign conducted by the guild forced Newhouse to capitulate and the discharged men were restored to their jobs. Defeated in the Battle of Long Island, Newhouse established secondary positions in Staten Island, where he owns the only local newspaper, the *Advance.* The first shot was fired when that paper discharged its news editor for joining the guild. The reasons assigned were "incompetence and incompatibility," but A. L. Crosby, the discharged editor, had been with the *Advance* for five years and prior to joining the guild had received a substantial raise in salary. The guild promptly responded by establishing headquarters in Staten Island to wage there a campaign similar to that which had gained victory for them in Jamaica. Pickets were stationed at the *Advance* plant and at the entrance to the Staten Island ferry, and the borough was deluged with leaflets urging the residents to support the guild's stand. As a result civic leaders and organizations have publicly given approval to the men. The guild asserts and the *Advance* denies that its circulation and advertising are declining. The issue involved is an important one, for the very existence of the guild is at stake. Newspapermen see behind Newhouse the threatening shadow of the Publishers' Association, which has been fighting the guild in typically underhand fashion. Pressure of the association is also blamed for the peculiar position taken by Roy K. Howard toward the guild unit of the New York *World-Telegram.* Howard permits his employees to join but will not negotiate with guild officers in the matter of collective bargaining. Company unionism is the issue, clearly recognized by both sides, with Roy Howard, who has publicly opposed the company union in the past, now insisting upon it in his own plant.

BY JOINING the International Labor Organization, the United States has aligned itself with fifty-eight other nations in the common task of improving working conditions throughout the world. Under a competitive economic system it is difficult for any one county to initiate a fundamental program of social reform without the risk of having its products undercut by the output of nations possessing a less enlightened labor policy. The I. L. O. was founded specifically to deal with this problem, and in the fifteen years of its existence it has worked out, in a restricted sphere, a technique of action which might well constitute the basis for a far more extensive form of international cooperation. While no startling reforms have been carried through, the International Labor Conference has adopted some forty conventions dealing with such subjects as social insurance, the regulation of child labor, limitation of the hours of work, and the establishment of labor exchanges. Half of these conventions have been ratified by from twenty to thirty governments, and the remainder—including many of restricted application—by a smaller number of countries. With the prospect that Soviet Russia will join the I. L. O. as well as the League in September, but one important country will remain outside the fold—Hitler's Third Reich.

THE EXPULSION of Dorothy Thompson from Germany can best be explained as the self-defeating act of a ruler whose vanity is insufficiently tempered by discretion. Miss Thompson's chief sin appears to have been her assertion in an article published in *Cosmopolitan* two years ago, which later appeared in her book "I Saw Hitler," that it required less than fifty seconds "to measure the startling insignificance of this man who has set the world agog." The order requiring her to leave mentioned "innumerable anti-German articles in the foreign press," but Miss Thompson's inability to be impressed by *der schöne Adolf* was clearly the main count in the indictment. Her insensitiveness in this respect appears to be shared by most of the foreign correspondents in Berlin, including the correspondents of the New York *Times* and the *Herald Tribune.* Students returning from Germany report that their copies of the *Times* and the *Manchester Guardian* are continually being borrowed by their German colleagues, who are avid for news about Germany but are unable to get it from the censored German press. On arriving in Paris, Miss Thompson declared that she believed her expulsion was "evidently the beginning of a campaign of terrorism against foreign correspondents." Such a campaign would only intensify the isolation of Germany and furnish new ammunition to the enemies of the Nazi regime. The fact that Hitler is incapable of understanding this tends to support Miss Thompson's impression of him as a man and a statesman.

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Saving the Good in the NRA

THE important aspect of the reorganization of the NRA, now under way in Washington, is not the administrative form finally chosen, but the simple decision as to what part of the Recovery Administration is worth salvaging and what part is to be dropped altogether. The choice will not be illumined much by mere administrative changes. Whether there is to be a full-time board, or a new body coordinating the work of the NRA and the AAA, or a new division of responsibilities along army lines, is not what the public cares to learn. To the public the NRA is not an administrative scheme but a strange mixture of good and bad social intentions which ought not to be made permanent until the contradictory thinking within it has been reconciled.

Before defining the good and the bad, it is well to refresh our memories of the origin of the NRA. It is not a concoction of the Brain Trust; it is not a regimentation of business forced upon industry by the President. What regimentation there is was conceded to business in response to its own clamor. Indeed, the worst features of the NRA, price-fixing and the evasion of the anti-trust laws, came in this act as the fulfilment of a dream long-cherished by big business. Those who believe that the NRA was a device for regimenting the country forced on it by the President would do well to read John T. Flynn in the current *Harper's Magazine* on Whose Child Is the NRA? He supplies an invaluable notebook for historians on the actual drafting of the national-recovery legislation.

The good in the NRA, as we see it, is the protection it promises labor. It contains both a recognition of the right of collective bargaining and the implication that no industry is entitled to survive which cannot support certain minimum standards of wages and hours. The minimum-wage and hours provisions, in particular the abolition—in theory if not in fact—of child labor, are now on the way to becoming a part of the changed American system.

Industry accepted the new protection of labor in return for the right to fix prices and escape the anti-trust laws. The concession not only is too expensive, but is one of the elemental obstacles to recovery itself. If the continuation of the NRA means the perpetuation of this bargain, we should advocate scrapping it altogether. We do not believe there can be a recovery under the capitalist system without a more normal working of a price economy, and we do not see that the consumer can possibly be safeguarded against exploitation by the price agreements which the NRA sanctions. Scrapping the NRA would not mean that the codes would have to go. They could be administered by the Federal Trade Commission with enlarged powers. And the Department of Labor could resume its sole supervision of the conduct of industrial disputes.

But we are not convinced that the disappearance of the NRA is called for so much as a clarification of thought. Indeed, there was a gain in having the protection of labor assigned to a fresh agency which embodied the energy and spirit of the times and commanded fresh prestige in the country. But unless the NRA can serve, as was originally conceived, as a fair arena for orderly conflicts between capital and labor, it can enjoy no fresh prestige. On the contrary, this summer has been a story of repeated stultification.

If the NRA is to be continued, it must be without price-fixing and the grant of monopoly privileges, and it must be accompanied by a clarification of the right of collective bargaining. When we come to this theme we reach one of the most obscure passages in the records of the Administration. One must assume that the President considered it essential that labor should be fortified in protecting itself. But he has remained aloof while General Johnson has played fast and loose with the principle of collective bargaining, and has let the nation be thrown into the jitters by the spread of strikes which have been not ordinary industrial conflicts but strikes for the recognition of the rights which the NRA bestowed.

The Johnson era has now reached its climax in the censure of the General by the ruling of the National Labor Relations Board in the Donovan case. The reinstatement of Donovan and the integrity of an organ of the NRA in overruling the czar of the Recovery Administration give one hope that the muddle in Washington is not past redemption. What is amazing is that the General did not immediately offer his resignation. The Donovan case in itself is a secondary affair, and Donovan may not make an ideal martyr, but the trial was not of an individual but of a principle. And the verdict was that General Johnson, who is responsible for having the principle accepted by industry throughout the country, failed to apply it in his relations with his own subordinates. That the General should go is the kind of truism which would be obvious to a five-year-old child but which can be lost sight of in the mist of a political capital.

We do not minimize the difficulties of the Administration in getting the right to collective bargaining recognized. The very idea is repugnant to many industrialists who do not know that the nineteenth century has closed. And the difficulties have not been lessened by the fact that the American Federation of Labor is not yet organized to wear comfortably the mantle of representation for all labor. There is bound to be confusion and delay before collective bargaining can emerge on a sound footing. But what is incontestable is that the President has added to his natural difficulties by his open indulgence of General Johnson, and by maintaining a delphic silence in moments when a few emphatic sentences would have cleared away the mist.

Whatever the reorganization of the NRA, the President will be judged, perhaps more than he realizes, by the faith he shows in fulfilling this particular pledge of collective bargaining. It is not enough to rely on the luck of finding suitable administrative agents and agencies. Some of the bad luck of General Johnson has been offset by the services of Lloyd Garrison as chairman of the Labor Relations Board. But if the General goes, and if the country is to rely not on personalities but on principles, the first task of reorganization is to make clear the principles according to which the Recovery Act is to be administered.

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All for Liberty

WE are glad to welcome the new non-partisan American Liberty League headed by Jouett Shouse, anti-Roosevelt ex-chairman of the Democratic National Committee, and such eminent advocates of liberty as John W. Davis, Irenee du Pont, Alfred E. Smith, Nathan L. Miller, and James W. Wadsworth. We do so not only on the ground on which President Roosevelt is said to have given his blessing—the necessity of criticism. Our hope is that the league will wax sufficiently strong to be the instrument of that division between conservatives and liberals, or radicals, for which *The Nation* has been hoping for so many years. Times without number we have pointed out that there was, at least until Franklin Roosevelt's arrival in Washington, no essential difference between the Republican and Democratic parties; that there were conservatives and progressives in both, and that there was no cleavage between them on a single issue; that for years past every important bill voted in Congress has been supported by Republican and Democratic votes and opposed by Republicans and Democrats. If the Liberty League means that the hour for a genuine showdown is at hand, we are ready for it. Sooner or later the division is bound to come. Even if this new league means the beginning of an organized fascist movement, we shall not be frightened. That challenge was certain, given conditions as they are.

We are, of course, under no illusion as to what these eminent men have in mind when they use the word "liberty." Their language is clear. They promise in their preliminary statement, first, to uphold the Constitution of the United States. Second, they will teach the necessity of respect for the rights of persons *and property,* "as fundamental to any successful form of government" (Russian newspapers please copy). Third, they will teach the duty of government to encourage and protect individual and group initiative and enterprise, to foster the right to work, earn, save, and acquire property, and to preserve the ownership and lawful use of property when acquired. There we have it quite plain. Despite the passing slight reference to the "rights of persons," this is an organization to secure to capitalism the power to live and do business as heretofore. Its conception of liberty is the right to maintain the old, discredited order, the liberty to continue an inequitable division of the products of labor, the liberty of some men through special privilege and government favoritism, or by the absence of government control, to build up large fortunes while millions of others—even during our boom years—approach nearer and nearer the starvation line.

When our jails are full of men arrested and often beaten for striking for their economic rights—rights guaranteed in many cases by the NIRA itself—this new Liberty League has nothing to say except that there is a "necessity to respect the rights of persons." When personal liberty is abridged by men in office and authority as never before, the Liberty League fails to cite a single one of the literally thousands of cases of official lawlessness, of official siding with the employers as against the employees, to make people believe that it places human rights above property rights. And of course it does not. What persons are violating the Constitution of this country oftenest? None other than officials solemnly sworn to uphold that Constitution and our every law. Who are defying the government of the United States in its efforts to uphold the right of collective bargaining but the United States Steel Corporation and the aluminum trust and other corporate clients of John W. Davis and ex-Governor Miller? Who wants liberty for the great corporations to dominate absolutely and autocratically the lives of the workers? Why, none other than the group represented by most of the men who are the founders of this league. Not liberty *for all*—that is not what this group wishes, but liberty to block that reorganization of our social and economic life without which we shall continue to go from one crash to another, from one "cycle" into the next.

Well, as we have said, we are glad, and Mr. Roosevelt should be glad, that this non-partisan group has raised the banner of property rights first. Perhaps Al Smith and Mr. Davis, both once Democratic Presidential candidates, will now furnish the leadership the Republican Party craves and so sadly lacks. Mr. Wadsworth is being groomed for the Presidency; his joining the league shows that he expects, and so do we, that it will grow as rapidly as the association against prohibition. As men in political life join it, we shall all know precisely where they stand. It will help us to reform ranks, to choose our flag and be known by the company we keep.

The Menace of "Education"

AMONG the numerous skeptics who have arisen to challenge the methods and accomplishments of American universities and colleges, there has been none quite so rash as to suggest that the whole vast business, involving the expenditure of innumerable thousands of dollars every year by hundreds of thousands of college students, is a failure. Yet some such conclusion emerges from the six-year study financed by the Carnegie Foundation for the Advancement of Teaching, which is described by John R. Tunis in the current issue of *Scribner's Magazine*. The study was directed by Dr. William S. Learned, with the cooperation of the Association of College Presidents of the State of Pennsylvania and of the State Department of Public Instruction, and covered forty-nine colleges and sixteen public-school systems. As in most such studies the conclusiveness of the findings rests on the validity of the intelligence tests and other tests employed. In this case, the questionnaires were so skilfully prepared and the scale of the study so large as probably to cancel most of the factors of error.

The most impressive table is that showing the relative scores of freshmen, sophomores, juniors, and seniors in six colleges. As a result of four years of college instruction, the seniors improved their score on the intelligence test from 56 to 58, but apparently lost ground in spelling, grammar, vocabulary, English literature, history, and social studies. The average senior in six colleges recognized only 61 out of 100 words "in familiar use by educated people." One-fourth of the college population, seniors about to graduate, achieved scores lower than those of 30 per cent of the high-school sen-

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iors four years younger. The high-school seniors in Reading, Altoona, Elkins Park, and Wayne were ahead of the average for all the college sophomores in the State.

The findings with respect to different types of students were no less remarkable. In general the students preparing for the teaching profession ranked lower than the others, and the students of "business administration" were among those making the lowest average gain as a result of their college instruction. The student who topped the entire list of 2,800 proved to be a boy who, except for a high mark in history, had failed or received D's in the rest of his courses for three years and had been demoted from the junior to the sophomore class; whereas in another college a young woman about to receive a *magna cum laude* failed miserably in the tests, standing fifth from the bottom in a class of forty-eight and in the lowest 10 per cent for the State.

Mr. Tunis interprets these disheartening findings to mean that there is something wrong with the methods of college instruction—particularly the credit system. Undoubtedly this is so, and it is probable that the "honors," or divisional, idea which is now being tried out in Princeton, Harvard, Chicago, and elsewhere, represents a considerable improvement over the traditional method of instruction, which frustrates the individual interest of students and puts a premium on "credit hunting."

But this is not the whole story, nor did this study, in our opinion, go far enough. We should have liked to see the teachers subjected to similar tests so that we might learn whether teachers are more or less bright after two, four, and ten years of immersion in the academic routine. We are inclined to suspect that the present version of the "higher learning" is dis-educational for the teachers as well as for the students. In addition it would be interesting to follow these students into the business and professional jobs which they take, if any are available, after graduation. Is the experience of business and professional practice educative or otherwise? Is a first-year Rotarian brighter or stupider than a veteran juggler of pink balloons, chocolate eclairs, and paper hats?

There are other and even more basic considerations. It would seem from Mr. Tunis's summary that Dr. Learned and his associates examined the educational apparatus as a thing in itself, to determine whether or not it is functioning. But college training is merely one element, and a rather minor element at that, of a total cultural process which either functions or doesn't, which is creative or stultifying, educative or dis-educative. Ideally, the processes of a functioning culture are educative in and of themselves. In primitive societies education takes the form of apprenticeship: of children to parents, of youths to their elders. The phenomenon of formal education in our complex modern societies is to a considerable extent an inflated and adventitious excrescence upon a culture which has lost its organic, self-functioning quality. This has become particularly apparent during the depression when we send children to college and keep them in college and in graduate work because society cannot find serious tasks for them to do.

But it is unlikely that the Carnegie Foundation will enter into such untrodden fields of inquiry and speculation. They are reserved for those irresponsible laymen who by hook or by crook—frequently by cutting classes like the Brightest Boy of Pennsylvania already referred to—managed to escape being "educated."

A Denial from California

WE have received from Albert E. Boynton, managing director of the Industrial Association of San Francisco, a telegram characterizing as "grossly untruthful and libelous" the article and documents published in *The Nation* last week on the connection of the Industrial Association with the police raids in and around San Francisco. Mr. Boynton denies that anyone in his association "had any previous knowledge or connection with any of the arrests in the strikes or in either the police or unauthorized raids on Communist quarters." The article under question appeared in *The Nation* for August 29; this issue was on sale in New York on August 23 but had not reached the Coast by August 24 when Mr. Boynton dispatched his message. The protest of the managing director of the Industrial Association was therefore based upon a press release announcing the article and not upon the article itself. Mr. Boynton assumes that "some irresponsible propagandists" forwarded one of "our strike-violence news reports which we furnished daily" to the newspapers of San Francisco. These reports were, he says, based on police records of arrests in Communist raids and all other arrests in connection with the longshoremen's and general strikes from July 3 to the end. He demands that *The Nation* "retract its conclusions and implications in regard to the Industrial Association of San Francisco and Albert E. Boynton, its managing director, manifest in this article" and offers for the inspection of "any authorized agent" the "full files of these reports." *The Nation* has accepted this offer while recognizing its insufficiency for the purposes of a full inquiry; it has asked the A. C. L. U. to act as its agent and will publish its findings.

It is unfortunate that Mr. Boynton had only a press release upon which to base his denials. The reproductions in *The Nation* of parts of the "Strike Violence Memos" do not suggest news reports either in appearance or substance. The "irresponsible propagandists" so cavalierly dismissed by Mr. Boynton are officers of the American Civil Liberties Union who checked the documents' authenticity for *The Nation*.

The Nation suggested in its editorial that the activities of the Industrial Association, as revealed in the documents published, together with the whole record of official terrorism in California, be made the subject of a federal investigation. We reiterate our belief that this should be done. The breakdown of orderly government in California, the lawless acts of officers of the law, the violence of irresponsible bodies of citizens, all demand the intervention of the federal authorities. Meanwhile, we are glad to support the proposal of the American Civil Liberties Union, made in a telegram to Mr. Boynton, that the Industrial Association open its "complete files dealing with the general strike to examination by an impartial national inquiry commission of outstanding citizens." *The Nation* believes that such an inquiry into the whole question of private and official lawlessness would be an invaluable preliminary to a federal investigation later on. If the Industrial Association will extend its offer to open its files to the body suggested in the Civil Liberties Union's proposal, *The Nation* will gladly accept and publish the findings that result from such an examination and will publicly modify or maintain its position in the light of the full data.

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Issues and Men

The President's Greatest Opportunity

I SUPPOSE that everybody thinks that he knows just what are the greatest opportunity and duty before the President. Well, I too feel very strongly that there is one duty above all others which he ought to perform. It won't bring us any economic relief or bring prosperity any nearer, but I believe it will do more for the soul of America and the preservation of our institutions than anything else the President can do. I refer to the necessity of his lifting his voice against the ever-growing official lawlessness in this country, the readiness of men in office everywhere to consider themselves above and beyond the law, with the right to decide which citizens shall and which shall not obey any given statute. I have particularly in mind also the way the local law-enforcing authorities, whose duty it is to be absolutely neutral, continually side with the employing class. The depth of my feeling on this subject comes from the fact that my long years of experience have made me realize that the failure of our officials themselves to respect and obey the law has more to do with our general lawlessness than any other of the many reasons for it.

The most important happening along this line has been, of course, General Johnson's conduct in San Francisco, where, after denouncing the shipowners because they had failed to give the right of collective bargaining to the striking longshoremen, he proceeded to say that those who were engineering the general strike constituted "a threat to the community," "a menace to government," "civil war," "bloody insurrection," "a blow at the flag of our common country." He then said: "If the federal government did not act, the people would act, and it would act to wipe out this subversive element as you clean off a chalk mark on a blackboard with a wet sponge." This was all that the vigilantes needed. That day they began their raids, which have since turned out to be really police raids, undertaken probably at the instigation of the big-business interests of San Francisco. The casualty list published in *The Nation* last week provided only a partial record of the brutalities inflicted during those illegal raids. Yet the victims and the men against whom General Johnson fulminated were well within their rights, were doing nothing illegal, and had jeopardized the success of their undertaking by opening the road for food supplies and other necessities to reach the population. No one can measure the effect which such incitement to lawlessness has upon the country.

Nor can anyone measure the effect upon the plain people of the United States of seeing police lawlessness and brutality at close range. They behold the police entering homes without warrant, subjecting innocent people, as well as the guilty, to the illegal third degree, and beating up unarmed prisoners whenever it suits their convenience. They know that in strike after strike the police side with the employers; it is rare, indeed, that they sympathize with the strikers, as was the case in Toledo. What happened in Hardin County, Ohio, a few weeks ago is characteristic. Peaceful picketing is lawful in the United States by the decision of the highest courts, but when Jerry Raymond, an organizer for the Socialist Party, headed a picket line in the town of McGuffey, a truckload of deputy sheriffs ordered the pickets to disperse. Being clearly within their rights, they refused. The deputies attacked them with clubs and knocked Raymond unconscious. When he recovered, Raymond was tried twice on the charge that he had been guilty of "assault with intent to kill." The lawyers for the onion growers, against whom the workers were striking, twice prosecuted Raymond, who was sentenced to ninety days in jail and to pay a fine of $75. It was a blow at the government of the United States itself, this conviction. It was a worse act than any single Communist could possibly have perpetrated.

I could cite literally hundreds, if not thousands, of similar cases which are happening all the time all over the country and are being multiplied as the struggle between capital and labor grows bitterer because of the impulse to unionization given by the NRA, especially by Section 7-a of the NIRA. I cannot understand how President Roosevelt can stay his hand under the circumstances—if he has any realization how the whole legal structure is being undermined, how the masses are losing all faith in laws and our constituted authorities. He must know that the average well-to-do American reads these things and says: "It serves the damned Socialist right. To hell with him." He knows that our patriotic societies are willing to stand behind the authorities in denying all legal and constitutional rights to Socialists and Communists, to labor leaders, even if they are of the most conventional stripe, when they threaten business, as in San Francisco. The President ought to realize that he alone can turn the tide effectively. Thus he might have sent for the policeman who arrested the Reverend A. J. Muste in Belleville, Illinois, and later swore in court that he thought he had the right to overrule the Constitution of the United States and violate Mr. Muste's constitutional privileges whenever he thought there was an emergency, and have lectured him in the White House before the press representatives as to what constitute the duties of a police officer. He should have publicly rebuked General Johnson; the country would have acclaimed him if he had. He could well have voiced his opinion of those police justices of Hardin County, and demanded the release of Jerry Raymond. Above all, he could have made it clear that he himself will never connive at any violation of any United States statute, no matter what the crisis. I repeat that I know of no greater service the President could today render to his country and his countrymen than to continue to pound away upon this line, to uphold the sanctity of the Constitution and of all law, and to rebuke the faithless officials—many of them faithless through their complete ignorance of both our laws and the Constitution.

Oswald Garrison Villard

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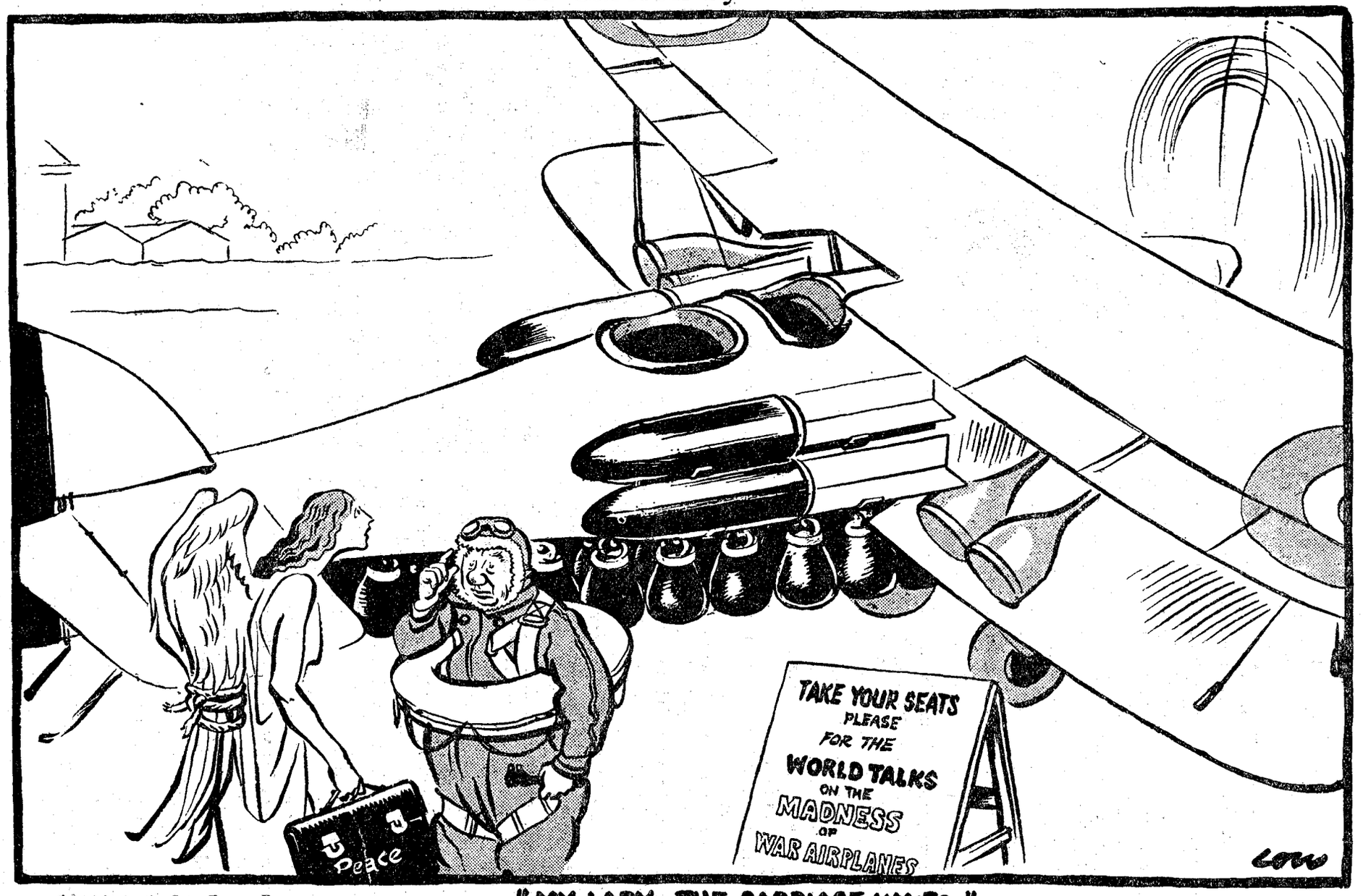
A Cartoon by LOW



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"MY LADY, THE CARRIAGE WAITS."

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The Hitler Terror Mounts

By EVELYN LAWRENCE

A YOUNG German told me this story at an underground group meeting in a small cafe in Berlin. Illegal gatherings in the Third Reich are not held in dim cellars, lit by guttering candles. They are conducted in the open, cloaked only by the naturalness of everyday events. I have been to meetings in restaurants, in private homes, and in the open air, where we sat on the bank of the Rhine in bathing suits.

Here five of us sat at the table. We spoke in the whispers that are the voice of Germany today. As the young man told his story, a typical Nazi love-and-unity newspaper lay on the table. A black headline blared across it: "Schlagt die Reaktion, wo ihr sie trifft" (Beat reaction wherever you meet it).

"Three months ago they arrested a man in East Prussia," he said. "They found my address among his papers. The next morning I was in a concentration camp. The SA asked me what I knew. I said that I hadn't participated in revolutionary activity since such activity became illegal. That was an 'unsatisfactory' answer. So they beat me for three hours until I crumpled up on the floor. Then they took me away from the concentration camp to a special station for torturing stubborn prisoners. I was carried into a small room with only a bed in it. The door to the main room was slightly open. I could hear the wails and screams of a man who also was 'stubborn'—he was refusing to betray his comrades. After two hours I heard him break down. He whispered the names of two men, very faintly. The SA brought him in and threw him on the bed, smeared all over with blood.

"Then they took me in. Four men surrounded me and told me to talk if I valued my life. I said I knew nothing. They beat me again. I fell to the floor. I bit my lips and shrieked. I was bleeding all over. I became unconscious time and again. Each time they revived me. And through it all was the constant refrain, 'What do you know?' My answer was, 'Nothing.'

"Late in the evening they carried me into the anteroom and threw me on the bed with the other man. Pain made sleep impossible for both of us. In the morning they took the man who had confessed back to the torture room together with the two men whose names he had given. After three hours of questioning they were all taken back to the concentration camp.

"I was too exhausted to say 'no' any more. I could only shake my head. They were more hopeful and more brutal. The beating went on all that day. It went on until I became completely unconscious and could not be revived. Of the next day I remember only one thing. I was conscious at intervals. I lay on the floor feeling that I couldn't stand another blow, that I must tell. Then I looked up and saw the vicious faces slobbering over me. I would die before I would deliver anyone else to those beasts.

"On the fourth day they varied the monotony. They decided they had been too 'soft.' I was taken into a small room and propped in the corner. Two SA men stood in the other corner with guns. One of them said, 'We shall count three. If you do not talk we shall shoot.' Then came the three counts. I felt the shots hitting the wall right beside me and then I collapsed. The mad torturers gave up. They took me back to the concentration camp. The comrades there knew what four days in the torture rooms meant. They were sure I was dead. When I came back I was a hero."

The German ended his story and sat silent for a minute. "We're still working," he said, "and we'll lick them, too."

This is the hand of the terror in its most naked form. All through Germany I saw it again and again, hearing of men who had been beaten to death or shot, meeting men who had come back from concentration camps deaf or gruesomely mangled from tortures, seeing too the subtler expressions of reaction in the distorted newspapers, in the songs, the interminable parades and flags and uniforms, the scientific seduction of youth to the purposes of the regime.

In one town I visited a family I had known from days before Hitler. They lived in a working-class suburb. They had been revolutionaries. Now they are Nazis. The young husband looked away from me and shrugged. "One must live," he said. "I've been out of work for a year and a half. Now I have a job."

To them Nazism is a cloak of convenience. But when, sitting at their table, I lighted a cigarette, the three-year-old daughter jumped up and down on her chair shrieking, "Deutsche Frauen rauchen nicht" (German women don't smoke). She had absorbed the slogans that are plastered across new Germany even before she could read them. As I left the family I said goodby with the old phrase "Guten Tag." The girl ran after me, bearing at me with puny fists and crying, "Heil Hitler, Heil Hitler," shocked at the tragic breach of etiquette.

I went to visit a boy of thirteen. His mother is dead. His father, a refugee, I had met in England. His guardian, appointed by the municipality, is a Nazi. The lad stood before me in a brown uniform, the swastika on his sleeve. He couldn't get an apprentice job until he joined the Hitler youth. He said to me, "Tell my father that little Peter is still a Communist under his brown shirt."

Later, when I spoke to his father, the exile laughed with tears of pride in his eyes. But I didn't share his confidence in little Peter. Talking to the boy I could see the inroads of Nazification—brown ideas creeping into his mental pattern, brown phrases creeping into his speech. In his home, at his work, in his troop, he is permeated by Hitlerism. The regime continually tightens its grasp on youth and organizations with influence. This summer, for example, school teachers in many German towns had no vacation. Instead, they went to a summer training camp to become more effective canals for pouring the new German spirit into their pupils.

The tide of the terror in all its forms is flowing high. Prices are mounting, wages falling; the Reich has neither credits, raw materials, nor markets; a wheat and potato shortage is looming this winter; and the nearing threat of inevitable war is the constant thought of the man on the street.

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Hitler's answer to all this is even swifter reaction, a renewed drive on the revolutionaries, more refined tortures in the concentration camps, accompanied by sloppier and sloppier propaganda in the press lauding the new spirit of unity and love, the new Germany of peace and employment, the *Führer* and his achievements.

Does he get away with it?

In every factory two or three or four or half a dozen radical workers form a cell. Theirs is the task of talking to their fellow-workers, of gauging satisfactions and dissatisfactions, of pointing out the truth behind the smiling propaganda front, of distributing the illegal literature. From the factory cells the reports go to central committees, where they assemble bit by bit into a picture of public opinion in Germany today. They show a growing spirit of resistance, a resistance that is sadly feeble and fearful and inarticulate but a thousand times stronger than it was during the first terror when Hitler had just come to power.

The SA takes up continual collections in the factories. Formerly it was an automatic procedure; no man dared refuse his contribution. But now there are delinquents. In one factory with sixty workers, when a collection list came around no one signed, not even the *Meister* (foreman). The SA laid down the law to the *Meister* and he signed. But when the list was circulated again, only five men signed. All the workers in the shop were called to a meeting. It was made clear to them that they were to sign for their own good. Despite this, fifteen out of the sixty failed to sign when the list came around for the third time.

All German workers belong to the Arbeitsfront, which has replaced the suppressed free trade unions. Attendance at meetings is compulsory; it is usually achieved by marching the workers in closed ranks directly from the factory to the meeting hall. At the Zeiss factory many workers broke from the ranks and refused to go to the Arbeitsfront. So an SA detachment was sent to guard the factory gates at closing time and keep the ranks tight on the way. When the workers came out they refused to march. After a stalemate of a few moments one worker broke through the SA ranks. Others streamed through the gap after him. The SA could do little. Attendance at the Arbeitsfront meeting was only about 50 per cent. At another Arbeitsfront the committee was arranging a parade—one of the parades that replace food and freedom in new Germany. But this parade was difficult to arrange. Out of four hundred workers they could not find ten willing to be seen on the streets carrying the swastika-blazoned banners of the organization.

There is one story I like. It is the perfect expression of inchoate German protes ttoday. I was in a train compartment with two Germans. One was an ecstatic Nazi. He talked of the new Germany, of peace, love, brotherhood, of the classless state. The other traveler sat very quietly. He had, I sensed, a neutral-pinkish opposition. At last he spoke.

"None the less," he said, "locomotive drivers in America get more pay than drivers in Germany."

"That is not true," argued the Nazi. "It is a lie of the foreign press. Locomotive drivers in Germany are paid as well as anywhere."

A station later the Nazi got off. The other looked around and then leaned over and whispered to me, "You know, locomotive drivers in America do get more than in Germany. I know. I'm a locomotive driver."

We talked for a few minutes more. He was very excited to find that I had been in Russia. He asked me how conditions were in Russia.

"Well," I replied, "You must understand that even in Russia there are some bad things."

"I can understand that," he said. "You know—even in Germany there are some good things."

The Shipping Conspiracy

By WILLIAM ADAMS

I

THERE is probably no subject of national importance about which the American public knows and cares less than it does about deep-water merchant shipping. There is nothing remarkable in this fact. America is a continental nation most of whose population dwells inland, its internal commerce greatly outweighs its foreign, and in its economy nationally owned, overseas shipping has not had, since the Civil War, any fundamental place. On the other hand—and this is remarkable—no other industry in the United States has been the object of so many favors from the government, including gifts from the national treasury. In fact, no other nation pampers and protects its shipowners to the same extent as the United States.

The purpose of the expensive nation-wide "educational" campaign that has been conducted during the years since the war by the American Steamship Owners' Association and the National Council of Shipbuilders has not been, of course, to provide the American public with any true information about shipping. It has been rather an effort to make the American people "ship-minded" by presenting to them, through lectures, teachers, and writers, all the misinformation about shipping conceivable. One form of this propaganda was exhibited recently in the conduct of the press toward the Senate's inquiry into ocean-mail contracts. Almost simultaneously in newspapers throughout the country there appeared editorials which attempted to minimize the significance of the facts disclosed by the investigation and to fix attention on a side issue. All of them ran somewhat like this: "Evidence of bribery and favoritism in the awarding of mail contracts is deplorable, but most of the men responsible are either dead, out of office, or absent from the country. Evidence that lines have been receiving as much as $75,000 for carrying a pound of mail should disturb no one. The subsidies are given for other—and profounder—reasons than carrying mail. Nothing that the investigation uncovers should be allowed to obscure the vital necessity that exists for subsidizing our shipping. By abolishing the postal subsidies and giving the shipowners an outright subsidy all reform necessary should be accomplished."

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At the outset let us clear up the popular misconception that our subsidized shipping constitutes the entire American merchant marine. In reality our privately owned, salt-water shipping is divided into three fleets: coastwise and intercoastal, industrial (that is, ships transporting their owners' products, mainly oil, steel, and fruit), and foreign. The first two are, or at least ought to be, self-supporting; they exist because there is an economic necessity for them. The third, on the ground that it is necessary to the nation but cannot compete with foreign shipping, receives a subsidy. This subsidized overseas shipping constitutes only a fifth of our privately owned, salt-water merchant marine. Of our whole merchant marine, which includes the government's tonnage, laid up and in overseas trade, and the millions of tons of shiping on the Great Lakes, it is a very small part. The fact is that even if the United States did not spend one penny on subsidy, it would still be the second maritime Power in the world.

To understand how our present overseas shipping came into being we must turn back to the beginning of the World War. Subsidy advocates never grow tired of describing for us the pitiful situation in which the nation is supposed to have found itself, first in 1914 and again in 1917, because it had "no merchant marine." From their accounts of these critical years they omit, however, everything significant. In the first place, it is not true to say that in 1914 we had "no merchant marine." Even before the opening of the Panama Canal, which has created our tremendous intercoastal trade, we had as much shipping under our flag as Germany, and more than any other nation except Great Britain. It is true that we had only 750,000 tons of shipping in foreign trade. But let us see what was the reason for this small figure.

Our coastwise trade was protected, that is, restricted to vessels flying the American flag. Our shipbuilders had a monopoly of building for the American flag, and as a consequence American yards were able to charge $70 a ton for a ship that could be purchased in England for $40 a ton. But whoever wished to enter our unrestricted foreign trade had to buy his ships as cheaply as his foreign competitors bought theirs. That meant that he had to buy them abroad and to operate them, therefore, under a foreign flag. This arrangement suited our shipbuilders. They could charge the highest prices in the world and yet have a monopoly of the building in our choicest trade. And it suited the shipowners who were engaged in that trade. They were willing to pay the builders' price because that same price made impossible the creation of American overseas shipping, which, had it existed, would have constituted a threat to their monopoly because it might at any slack season have been diverted into the coastwise trade. Actually at the outbreak of the war there were 2,000,000 tons of American-owned shipping engaged in overseas trade, but it was foreign-built and operated under foreign flags.

When the government proposed in its 1915 shipping bill to build tonnage of its own to stop the rate profiteering of the shipping lines, some shipowners, by engineering the longest filibuster in the history of the Senate, prevented the bill's passage. It was enacted the following year after President Wilson had sent Cabinet members on country-wide tours to awaken the country to the seriousness of the shipping situation. The delay, profitable as it was to the shipowners, sent us into the war without the merchant fleet we should otherwise have had.

The unhappy fact that the nation spent some $3,600,000,000 on a "war-time" shipbuilding program is also used, in season and out, as an argument for subsidies: "Let us never be caught again without a merchant marine. Because we had none at the outbreak of the war we had to spend this great sum to build one." In reality this "war-time" fleet was built not during the war but after the war. Hog Island, where the greatest number of these "war-time" vessels were built, delivered its first ship one month after the Armistice. In 1919, 3,579,826 tons were launched—not delivered. In 1920 there was no slackening in this building mania, and it continued through 1921 and into 1922 until 7,250,000 tons of steel shipping and almost 1,000,000 tons of wood and concrete had been constructed. "War hysteria" is the reason usually given for this building program. It was really caused by a cool-headed combination of politicians, shipbuilders, and steel-makers.

Another current idea is the belief that prior to 1928 our overseas shipping was owned and operated by the government, but that since the passage of the Jones-White Act it has been maintained by private enterprise. This is likewise untrue. The shipping that the government owned before 1928 it did not operate. Nor is our overseas shipping maintained today by private enterprise; the government owns about 60 per cent of every vessel constructed by private enterprise since 1928, and toward the operation of these and other vessels it is now pledged to contribute about $27,500,000 each year.

The Republican administrations of the '20's were in office mainly to uphold the rights of private business. Every statement about shipping made by Coolidge or Hoover harped on the inevitable appearance, under government ownership, of bureaucratic waste, political pressure, dulled private initiative as a result of government competition. This was the government's attitude toward government ownership. But, alas, it owned millions of tons of "war-built" ships that it could neither sell nor operate. How, then, did it solve this dilemma? After scrapping, at the behest of the shipowners and the shipbuilders—who had built them—the greater number of these ships, it simply surrendered the rest to the shipowners. Thenceforward the shipowners dictated the government's shipping policy, controlled the Shipping Board, and had all their schemes supported in Congress by the Republican majority.

First, the lines that the Shipping Board had established were turned over to managers, our present-day shipowners, who, until they were ready to buy them, were to operate them for the government. The lines received a commission on the gross value of cargo carried and in addition a husbanding fee regardless of whether the ships made a profit or loss. Naturally, no profits were reported. It was to the manager's advantage to show as large a deficit as he could; not only so that he might be reimbursed for it, but even more because he knew that when he was ready to purchase the line a subsidy sufficient to offset his probable operating loss would be given to him, and that its size would be figured on the basis of previous deficits. How the managers enlarged their losses by creating subsidiary companies to perform their lines' stevedoring services at exorbitant cost, by padding pay rolls, and by dishonest accounting has been

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brought to light recently by the Senate investigation. Under this system, government participation in shipping was proved to be extraordinarily expensive, impractical, and corrupt. And this was exactly what both the government and the managers were desirous of proving. It was made plain that the government must get entirely out of shipping, at any price.

The next move was an offer from the government to sell the lines to their managers, in some cases for one-quarter of what the steel in them had cost. This very low price was a subsidy—a tremendous one. A ship's fixed charges, those for depreciation, interest, and insurance, are derived from her original cost and are normally from 25 to 40 per cent of her operating cost. They are the only part of her whole expense, except the minor one of wages, in which she can enjoy a differential over rival ships. Charges for fuel and stores are practically identical for the ships of every nation. With this subsidy offered to them, did the managers take the ships, go out, and show what private enterprise could do? They did not. They wanted the ships, but they wanted something more—mail subsidies. Not until these were offered to them by the Jones-White Act were they ready to purchase the ships.

Needless to say, the shipowners were able to advance numerous arguments to prove that these subsidies were necessary. They have maintained, for example, (1) that the freight money paid by Americans to shipping lines for carrying their commerce should go to American lines, not to foreign; (2) that nationally owned overseas shipping is necessary to our foreign commerce; (3) that merchant shipping is a valuable adjunct of national defense; (4) that Americans should not be denied sea-going careers. Let us take these up in order.

1. "Of what benefit is a balance of trade in our favor if we pay most of it out for freight?" is a typical query used by the propagandists for a subsidy, and the argument is invariably reinforced with the assertion that the nation's annual ocean freight bill is from $200,000,000 to $400,000,000. There is one sure way of reducing this freight bill: that is to reduce the volume of our foreign trade. And this is exactly what we are doing by subsidizing shipping in an effort to have a greater percentage of our foreign commerce carried in American ships. It must by now be apparent to everyone that those abroad who buy our goods must pay for them in goods or services. Before the war foreign nations were able, in great part, to pay us for our goods by carrying our commerce, that is, by carrying those goods. For half a century the volume of our commerce and the size of our favorable trade balance steadily increased, while the percentage of our commerce which was carried in American vessels steadily decreased.

2. Is nationally owned overseas shipping necessary to our foreign trade? In considering the first argument of the subsidists we have already touched on this question. It is claimed that nationally owned shipping protects our industries from onerous freight rates that foreign lines would combine to impose on it. Now of course combinations of shipowners ("conferences") do exist. But the idea that American lines stand outside them offering our shipowners lower rates is absurd. They are all members of the same conferences.

3. As for national defense, the question is bound up with the course of the next war. This much may be hazarded: should we go to war against England and should she gain control of the sea, our merchant shipping would be of no more use to us than was Germany's in the last war. It would be tied up in port, and it would not matter whether we had much or little of it. However, the possibility of our fighting England is one that only insane men entertain. Our next war, we may assume, will find England either neutral or allied with us. We shall then, since we are the second maritime Power, have control of the sea. If we want to increase the amount of our merchant shipping we may do so by chartering vessels from neutral nations, as we did in the World War. And without the expenditure of one penny upon subsidies we should still possess, in the event of war, our industrial, coastwise and intercoastal, West Indies and Caribbean, government-owned, and lake tonnage.

4. The shipowners have based their demand for a subsidy in part on the assertion that they are maintaining American wages and standards of living aboard their ships. In the light of their actual treatment of labor this is the most dishonest and hypocritical of all their assertions. The shipowners got their ships so cheaply that the only disadvantageous operating differential between them and their foreign competitors is one of wages. For years they were busy drawing up tables comparing American and foreign wage scales. The American averages were made up partly from the pay rolls of industrial carriers, such as oil-tankers, which pay comparatively high wages but are not subsidized, and so have no bearing on the question. The foreign figures were computed in American dollars according to the depreciated values of foreign currencies, and gave, of course, no indication of their purchasing power. By these methods some interesting results were arrived at, but after America went off the gold standard, their significance was lost.

If there are any real differences between American and foreign wages, what would they amount to in total operating costs? On a cargo ship wages comprise about 7 per cent, on a passenger ship about 15 per cent, of total operating expense. Therefore a difference in wages as great as 30 per cent would work out as an operating differential of only 2 or 4 per cent. In reality, however, the difference between American and foreign wages is much less than is commonly supposed. Before me is a list made up recently in the office of the United States Shipping Commission in New York showing wages paid aboard twenty-one vessels of as many companies. Ten of these ships are operated by subsidized lines (Munson, United States Lines, South African, Black Diamond, United Fruit, Export, Columbia, Barber, Grace, Moore and McCormack). The average monthly wages of the crews of the ten vessels are: able seaman, $47; ordinary seaman, $34; oiler, $55; fireman, $47.50; wiper, $35.50; mess, $32.50. The wages paid on these same vessels when the Shipping Board owned them—that is, before subsidies to maintain American wage standards were heard of—were: able seaman, $62.50; ordinary seaman, $47.50; oiler, $72.50; fireman, $65; wiper, $57.50; mess, $42. Some lines have even gone so far as to undercut this reduced wage scale.

If any operating differential does exist between our subsidized shipping companies and their foreign competitors it is not the result of the seamen's meager wages. There are other factors to account for it—the exorbitant salaries, bonuses, and "commissions" of the officers of the lines (Dol-

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lar Line, $14,690,528 in nine years to four men); the thousands of dollars spent on "entertaining" in Washington; the fees paid to lobbyists and Washington lawyers (I. M. M., $587,000 in five years); and the sums spent for propaganda.

The conduct of the government here has been so stupid and spineless that no indictment of it can be too strong. It presents the shipowners with millions of dollars of the taxpayers' money to make up for their higher operating costs and yet makes no effort to ascertain whether these really exist or in what they consist. For an ostensible 2 per cent or 4 per cent wage differential it gives them a subsidy two or three times greater than the total annual wages, from the masters down, of their entire fleet; yet it makes no attempt to see that the wages they pay are even fair.

[*Part II of this article, discussing individual mail subsidies, will appear next week.*]

A Message to Uncle Tom

By SUZANNE LA FOLLETTE

THE night was fearfully hot, and for a time it looked as if the last session of the Labor Institute which the Brotherhood of Sleeping Car Porters was conducting at the 135th Street Library in Harlem would be poorly attended. That would have been unfortunate, for the full-dress speaker of the occasion was none other than Dr. Gustav Peck, executive director of the National Labor Advisory Board. The general subject under discussion at the four sessions of the institute was "Negro Labor and the National Recovery Program"; and it had got round that the Administration had decided the occasion was auspicious for making Dr. Peck's address its pronouncement to the Negro world, which was known to be restive under the New Deal. As the meeting got under way, the audience began to arrive, and at least half of the late comers were in the rough garb of manual workers. The Administration was speaking to Negro labor, was it? Well, Negro labor would hear what it had to say.

If Dr. Peck had come expecting that "it might be worse" would prove a soothing argument, he was quickly undeceived. He was preceded by Professor Emmett E. Dorsey of Howard University, speaking on "The Future of the Negro and the Recovery Program." And Professor Dorsey keyed up the audience to quite a pitch of skepticism by maintaining that if the recovery program had a future, the Negro, under it, had not—and no more had the white worker. Why had the NRA become steadily more compliant with the demands of employers and more contemptuous of the demands of labor? Because government is necessarily responsive to pressures. The NRA was under constant pressure from the most highly organized, articulate, and powerful groups in the country—the owners and employers. Labor, white and black, was inarticulate and weak. The A. F. of L., which claimed to represent labor, was, because of its reactionary leadership and its antiquated craft unionism, unequal to the task of organizing or leading it.

Understanding how things were done in Washington, said Mr. Dorsey, we could also understand why the NRA had allowed Negro workers to be paid less than white workers under the codes. The differentials had been established by usage, but the Administration had given them the force of law. Why? Because Southern employers were articulate and influential. They went to Washington and argued that the cost of living was lower in the South. What they called a lower *cost* of living was really a lower *standard*, forced upon the workers by starvation wages. The employers had also argued that Negro workers were inefficient. Why wouldn't they be? They were persecuted, lynched, kept in ignorance, underpaid. Were they likely to become more efficient so long as the government recognized discrimination and sanctioned it in the codes?

The only hope Mr. Dorsey could see for the Negro was in organization—not Negro organization, but the organization of workers, black and white, to work shoulder to shoulder in defense of their rights. For labor need expect nothing from employers or from government that it was not prepared to fight for.

Warm applause for Mr. Dorsey. The chairman introduced the Administration. Warm applause for the Administration.

The apologist for the New Deal spoke easily. Being himself a union-labor man, he knew better than to patronize his audience or to throw it too many sops of political hokum. Dr. Peck said he hadn't known until he saw the printed program that he was supposed to address the meeting on "The Philosophy Back of the NRA." He had expected to discuss the differentials. However, he would do a little of both.

His definition of the philosophy was significant, not because it was news to anyone present, but because its explicit statement by a spokesman for the Administration was news. There seemed, he said, to be a lot of confusion about the nature of the NIRA. A good many people seemed to be aggrieved because it wasn't socialism or communism. They should remember that this was a Democratic Administration. The NIRA was a "sweeping but capitalist and conservative measure of reform," designed not to change the existing capitalist order but to preserve it. If labor wasn't pleased with it, that was just too bad. The purpose of the minimum wages set in the codes was to increase buying power; providing a living wage for workers was no part of it. If the minimums set under the codes were in some cases insufficient to support the recipients, that was also too bad. The Administration had done the best it could. It was under tremendous pressure from the employers. We might laugh at Mr. Mellon and the other representatives of big business. The NRA officials couldn't; they were too powerful. That, I think, about sums up Mr. Peck's remarks on the philosophy of the NRA. When he spoke of it as "revolution," the audience roared.

Dr. Peck deplored the fact that the large majority of Negro workers were agricultural and therefore not eligible to enjoy the blessings of the NRA, and the further fact that most Negroes in industry were unskilled and therefore able

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to enjoy those blessings only in moderation. When it came to the differentials, he had opposed them at first, but he was beginning to doubt the wisdom of his stand. Southern employers had advanced convincing arguments—he did not mention that they were "organized, articulate, and powerful." They had said: "We are in a primitive state of industrial development; we aren't as efficient as the North. We haven't the long industrial tradition of the North, and we haven't the skilled immigrant workers to draw on. We must be allowed to pay lower wages." (What about those "fair practices" provisions, Dr. Peck? If they could be used to protect Northern coal companies against competition from the product of low-paid Southern labor, why not use them to protect Southern industrialists in paying the Northern wage?)

Even the Negro community itself, he said, seemed to be divided on this question of differentials. Certain Negro investigators had actually recommended them (murmurs of "lickspittles," "kept Negro economists," from the audience). Without the differentials wouldn't Negro workers be worse off? The Southern employers might close their shops, and where would the workers be then? He thought it likely that even under the present codes the position of Negro workers had improved. And he called attention to the service the Labor Advisory Board had performed in keeping the word "Negro" out of the codes. As they stood they applied to all Southern workers. Certain employers had tried to get authority to pay less than minimum wages to "subnormal" workers, meaning Negroes; but the NRA had nobly refused to stand for it. So things might have been worse. There was a lot of criticism from arm-chair authorities living below Fourteenth Street and writing for the liberal magazines. Let critics at least ascertain the facts; let them go into Southern communities, talk to Negro preachers (laughter so loud and long that it drowned the rest of the sentence).

At last Dr. Peck said he'd like to know how that audience felt about the differentials, and in general about the NRA. He really knew very little about how the Negroes were feeling. He hoped to be enlightened by the discussion.

He was. In the response of that Negro audience there was plenty of light but no sweetness. It happened that George Streeter was pinch-hitting for Frank R. Crosswaith as leader of the discussion; and Mr. Streeter was roiled. He remarked that Dr. Peck had made it quite clear that the NRA expected to save capital at the expense of labor; he pooh-poohed the pretense that the NIRA constituted anything revolutionary or that the New Deal meant anything more than the old deal for labor. He likewise invited the audience to bear in mind that Dr. Peck was a labor man who had put himself in the pay of the Administration and thereby acquired a vested interest in Administration propaganda. Mr. Streeter called to the platform John Davis, head of the Joint Board for National Recovery (not a government organization). Mr. Davis went, and when he stepped down he had brought out some interesting facts: that General Johnson has steadily refused to see representatives of Negro workers; that no statistical bureau of the government has allowed itself to be persuaded to investigate the effects of the NRA on Negro workers; that in his own investigations, which had taken him over some seven thousand miles of territory, he had found innumerable instances of chiseling on the part of employers, with the Administration doing nothing to protect even such rights as Negro labor had under the codes.

But the most telling criticism came from the manual workers in the audience. Here were no arm-chair critics; each worker, as he rose, gave his name, trade, and union affiliation. They were untutored, but they spoke remarkably well, with a fervor derived from their sense of wrong and with the simple directness of speakers unembarrassed by having to make a case. By the time the discussion period was over we had listened to story after story of discrimination against black workers by all the agencies of government having to do with labor. One union official told how he had been snubbed at the New York offices of the NRA until it was found that he was there representing white workers. Another told how the daily minimum in his trade, which used to be five dollars, had been reduced to four. Another brought out the fact that skilled Negro workers were ineligible for PWA jobs because they were black; another how Negroes were discriminated against in the granting of relief. They demolished the argument that Southern industry must be nursed along at the expense of labor by pointing out that Northern industrialists had moved South precisely because Southern labor was cheap. They asked why the government was allowing the burden of price-lifting to be placed squarely on the backs of the workers. They brought out that the differentials in the coal codes were obviously aimed at Negro labor. They hammered the whole labor policy of the NRA. And they repudiated the suggestion that labor support a scheme admittedly designed to benefit the exploiters of labor.

In rebuttal Dr. Peck said he wished he could persuade his hearers to give the NRA a chance. After all, it was only nine months old, and had within it great possibilities of usefulness. Already it had abolished child labor, established the forty-hour week (he didn't mention the 211 exceptions), and taught employers to think of labor as something more than a large item in the cost of production. It had also established the wonderful principle of settling disputes by conference (cries of "What about Toledo, Minneapolis, San Francisco?"). The audience might object to Section 7-a (cries, "We don't object to it; we object because the government hasn't enforced it"), but it was a great charter of rights for labor. And labor was taking advantage of it; *vide* the tremendous increase of labor-union membership. And if labor didn't like the deal it was getting under the codes, why didn't it take advantage of Section 7-a? Why didn't it organize? He was a labor man himself; he believed labor should organize and insist upon its rights instead of running to the government with complaints. If labor didn't give the NRA a chance it might get something much worse—"for you can't go back, you know" (cries, "We'll go forward, to a workers' society!").

It was very late and warmer than ever, but the audience was too excited to notice either the hour or the heat. Its members were filled with the exhilaration of the chase; they would have kept it up all night if the chairman had not called off the final impromptu speakers and adjourned the meeting. In their faces as they filed out was the glow of satisfaction that comes from work well done. The Administration had spoken to the Negro, and it had been taught that the Negro is not to be safely treated as a dumb and faithful Uncle Tom, devoted to the interests of his white master and conveniently meek about his own.

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Was Europe a Success?

IV. Some Doubts Arrived At (cont.)

By JOSEPH WOOD KRUTCH

EARLIER in this discussion it was remarked that the revolutionist is usually one who began as a reformer and whose first aim was not the destruction of European civilization but the spread to all classes of what he came later to regard as contemptible bourgeois luxuries and absurd bourgeois delusions. Even now, of course, individual revolutionists often disagree among themselves concerning the ultimate desirability of individualism and freedom in the ideal society of the future. Some at least—and this is probably the official doctrine—profess to believe that both will be reestablished at some remote period when the perfect world state, composed exclusively of reconditioned men, has been set up. Yet even these enthusiastically accept the paradoxical doctrine that the only means of attaining this perfect freedom for the future involves for the present the rigid suppression of nearly all specific freedoms. Of the latter they speak with so bitterly unqualified a contempt that it is hard to take very seriously the admiration they sometimes profess for the ideal itself; and certainly Russia, despite frequent announcements that this or that institution is being liberalized, does not actually seem to be hastening very rapidly in the direction of individual freedom.

On the one hand we are assured that it is the most stable government in the world today; on the other we are sometimes assured that the freedom permitted in capitalistic countries is impossible there because the unsettled state of affairs makes stern measures against counter-revolution absolutely necessary. The fair conclusion, therefore, seems to be either that the government is much less popular and stable than we have been assured or—what is more probable—that the habit of prohibition and censorship has taken such a firm hold upon the minds of the rulers that they naturally think of government in terms of both.

Certainly the experience of the past would seem to indicate that the habit is one far more easy to form than to break, and we are permitted to doubt whether a ruling class long accustomed to despotism and a people long accustomed to the minute regulation of its thoughts as well as its deeds actually form a combination likely to preserve the European tradition we have so often referred to. Hence the defenders of the European man—those who hope for a better world but recoil at the idea of a totally different one—naturally suspect even those revolutionists who profess the intention to restore, after having destroyed, the traditions which are the necessary accompaniment of his existence.

They can imagine this man preserving himself defiantly against long-continued tyrannies. They can imagine him surviving for generations in an atmosphere charged with resentment against possibly inevitable periods of oppression. But they cannot imagine him giving up the ideal itself; they cannot imagine him actually embracing, with that joyous enthusiasm which the revolutionists recommend, even a temporarily blind acceptance of official dogma and an even temporary destruction of the individual personality as such; they cannot imagine it without at least perceiving the grave danger that he would destroy himself in the process.

The European man was almost destroyed once before when the civilization of the ancient world went down. It required between 1,000 and 1,500 years for him to begin the reestablishment of himself, and if he were to go down again he would probably go either forever, as the most radical proponents of the new beginning seem to hope, or at least for many generations to come. The new Middle Ages would not be brief, and to the liberal it appears that a new Middle Age is what the most radical of the radicals seem to be proposing. Indeed, it sometimes seems as he reads the writings of revolutionary thinkers that it has already begun; that he can easily detect in them a way of thinking which seems, by its combination of brutally sweeping general principles with bitter theological disputes over fine points of doctrine, more like the thinking of the Middle Ages than anything which has appeared since the Middle Ages closed.

The intellectual who feels this medievalism hopelessly alien, to whom it seems something which he does not and cannot ever expect to understand, may feel himself quite incompetent to discuss the economic forces which—so he is assured—make necessary its development. He may even be convinced that the economic system of the modern world has outlived its day and cannot possibly last much longer. But even granting the possibility that the most radical radicals are right in their main contentions, he feels himself on surer ground in asserting that, however right they may be in their conclusions, both their thinking and their writing certainly lack all those secondary virtues which are commonly implied when we speak of anything or anyone as "civilized." The thinking and the writing are dogmatic, harsh, and intolerant. They are full of an intense and burning hatred for that urbanity, detachment, and sense of fair play which make thinking amiable and which liberals pretend, at least, to admire.

When we have gone this far we may go one step further and wonder if these "secondary virtues" are really secondary; if, in the last analysis, it is possible to be really right without them. One may wonder, and one's wonder may grow as one begins to realize how much the thinking of the radical resembles the thinking of his bitterest enemy, the fascist, in respect to the absence of these secondary virtues. The two parties have arrived at what are usually thought of as diametrically opposed conclusions by mental processes very similar, and it may be suggested as a possibility that the most important, the most fundamental thing is rather the manner or the temper than the conclusions themselves. Is it not possible that, from the intellectual standpoint, the really significant thing is less whether a man is a doctrinaire communist or a doctrinaire fascist than whether or not he has the kind of mind to which the dogmatisms and over-simplifications of either are congenial?

To compare—from this perhaps prejudiced standpoint—the writings of many fascists or of many communists with

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the writings of the now despised liberals is to be struck with a difference which seems much like the difference one perceives in passing from, say, Plato to Tertullian. The important thing is not whether Plato was right in his conclusions. The important thing is that Plato had what the modern European man calls a civilized mind, while Tertullian had what this same man would call a barbarous one; that, in short, the one lived in a mental world where whatever realities lie behind the conceptions of fair-mindedness and detachment were tremendously important, while the other lived in a world where the only important thing was to make sure that you came out at sound doctrine and gave no comfort to the devil. Our liberal intellectual remembers one peculiarly dark period in world history which is occupied by the doings of the people of Byzantium. These doings are particularly hard to understand because they involve what seems to us a peculiarly absurd combination of passionate concern for theological orthodoxy with extraordinary brutality in daily life. But when he listens to the harangues of certain revolutionists he seems to see, dreadfully foreshadowed, a period strikingly like the Byzantium epoch in certain essential characteristics. What seems to be promised is, on the one hand, the same rule of violence in practical life and, on the other, a tendency to reduce all intellectual life to a state where it is concerned with nothing except essentially theological debates concerning the meaning of dialectical materialism—a subject which appears already to have become as subtle, as well as often about as meaningful, as that which had to do with the Homoosian and Homousian doctrines. In other words, what the liberal intellectual has come to fear is less communism or fascism as forms of society than what he feels justified in calling the Byzantine mind.

The official comment of the radical upon all such fears as this is a simple one. It is merely that to entertain them at all, even to understand what they mean, is thereby to demonstrate oneself a typical, uneducatable product of that rotten bourgeois civilization which is about to pass away forever. It may be so. But if it actually is, then the argument is nearly concluded. The thing about to pass away is not merely a form of society and not merely certain aspects of human nature generally regarded as unlovely, but the European man himself.

Was this European man a success? Probably most persons will agree that his success as a political animal was far less than complete, that physically, at least, the world he made for himself and his fellows was not as satisfactory a one as it is reasonable to hope for. But the success of his philosophy and science and art, the richness of his world of thoughts and feelings, may well command greater admiration. In respect to his achievements in those fields he seems to compare very favorably indeed with any other sort of man we know anything about. And it is on the question of his value that the liberal parts definitely from the radical. To the latter, that man is doomed already. Away with him! The former is not so ready to accept as demonstrably "inevitable" whatever coming events he does not yet know exactly how to prevent. Neither has he any enthusiasm for a method of saving the world which begins by destroying him and his kind. He thinks the world hardly worth saving unless one can save along with it that part of Europe which was a success.

[*This is the concluding article of Mr. Krutch's series.*]

Utopia Incorporated

By MIRIAM ALLEN DE FORD

San Francisco, August 24

WHILE Upton Sinclair has been giving the jitters to all the other California Democratic gubernatorial candidates with his alluring Epic Plan, another movement, born in Los Angeles and spreading like a flu epidemic through the State and eastward, has been making Sinclair's glittering promises look like the benefactions of a miser. Out of Technocracy by Bellamy's "Looking Backward," with a dash of Buchmanism to give it a fillip, the Utopian Society is sweeping the Pacific Coast. Only a few months after its birth in the fertile brains of E. J. Reed, Merritt Kennedy, and W. H. Rousseau, its incorporators, it already claims more than 150,000 members—or "hermits," for every initiated Utopian is a "hermit." It has conquered southern California and now, though coolly received in sophisticated San Francisco, is ravaging the East Bay. Howard Brubaker's characterization of it as "the millennium on the easy-payment plan" is the most apt yet given it.

It is difficult to present in detail the philosophy of the Utopians, though there have been plenty of leaks from among its supposedly secret membership. The plan has taken in features of almost every modern economic scheme, from fascism to communism. In so far as it is consciously directed to a system of production for use instead of for profit, it is essentially socialistic. On the other hand, it has in its make-up a good many reminders of the Nazi prospectus. It is, in other words, all things to all men—especially to all men untrained in economics, and suffering either through unemployment or through loss of income in the present depression.

The Utopian appeal is aimed at the same people who become Elks and Redmen; it is conducted on the lines of a secret society, with all the trimmings of ritual and passwords and mystery. The applicant is blindfolded and conducted into a room where he witnesses a pageant in four "cycles." The first two of these tableaux portray the sufferings of the exploited under capitalism, the next two the beginning of the pilgrimage to the Land of Utopia. The pilgrims make three stops, before a grain merchant, a clothing merchant, and a money lender. Each of these in turn loads the unfortunate pilgrim with chains, shackling his progress. But they themselves become entangled in the chains of this "triple profit," and eventually are forced to join the pilgrimage.

At a later meeting the fifth, sixth, and seventh cycles are given. In these the newly made hermit sees the chains cast off and witnesses the glories of Utopia. There everything is under central control by a governing board. There is no profit, and no competition. All young people go to public schools and colleges until they are twenty-five. From twenty-five to forty-five everybody works, three hours a day. Each worker has a number and receives his pay in paper money with his number on it. It cannot be saved or accumulated and must be spent within a year. Anyone refusing to work is given a medical examination, and if he is found to be in good health physically and mentally he is listed as a slacker and cast out to starve. At forty-five the Utopian ceases to work, and henceforth enjoys an income of $200 a month—which makes Upton Sinclair's old-age pension of $50 a

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month for all persons who are over sixty look cheap indeed.

All this paradise is, of course, not disclosed at once to the neophyte. Before he witnesses even the first cycle he has been questioned concerning his social and economic views, and has been required to take two oaths—one of secrecy in regard to the society, the other to uphold the Constitution of the United States. He is also requested to pay an initiation fee, which is $3, though as little as $1 is accepted. Further dues are ten cents a month "from those that can afford it." Unemployed hermits are let in free. However, no applicant is considered unless he brings two more with him, and each of these must bring two more to the next meeting, and so on in an endless chain which if fully applied would soon involve the entire population of the nation.

The meetings between the pageants are modeled after the Oxford Group. They are held by preference in the homes of hermits, with no more than twenty present, and consist of lectures on such subjects as "Money and Its Effects," "The Improvement of Society," and "The Machine Versus Man-Power," with later discussions by the group. Also, each new hermit is requested to write a letter to President Roosevelt commending his efforts in the New Deal and asking him to persevere in working toward the redistribution of wealth. These letters are signed, not by names, but by numbers; for each hermit receives a number by which he is henceforth known within the society and which, presumably, will some day be printed on the paper money he will receive for work done after Utopia is reached. Incidentally, these numbers provide fine publicity, for as they mount to higher and higher figures they inform the president and the general public of the increasing growth of the society. The hand of an advertising expert is very clearly shown in the entire conduct of the organization.

One thing that has politicians in California very badly worried is the probability that all these secretly bound hermits, who may number 300,000 by November, are pledged to some one candidate for governor. In southern California they believe that candidate may be Upton Sinclair, but the Utopian scheme conflicts in so many particulars with the Epic Plan that this seems unlikely. Whoever the choice may prove to be, he is going to be handed an enormous vote on a silver platter, and the Utopian ballots may very well make the difference between election and defeat. It is this uncertainty which has prevented any serious overt attack on the society by newspapers and politicians, in spite of its socialistic tinge and its tolerant lukewarmness on the subject of communism in the midst of the frenzied war against the reds now being conducted in California. Some commentators even allege Utopia to be a by-product of the Communist Party, which is, of course, ridiculous; but only the Better America Federation of Los Angeles, which has issued a pamphlet "exposing" the society, and the *Argonaut* of San Francisco, the voice of similar groups in northern California, have come out boldly and heatedly against it.

Only one thing can check the rapid growth of Utopia in a State so largely made up, especially in the south, of petty bourgeois of all varieties. That thing is dissension within the ranks; and there are indications that it has begun. The three incorporators, who presumably are to be the first trustees, are said already to be quarreling. One of them, it is rumored, wants to end the secrecy feature of the movement and open its meetings, plans, and ritual to the general public, and though the other two are opposed to this, the dissentient is reported to be gaining ground. It is thanks to this controversy that so much information concerning the inner workings of this mysterious movement, at first closely concealed and guarded, is now coming out into the open and even breaking into print.

In the Driftway

THE Drifter, who has heard a great deal about the class struggle recently, feels that it is time somebody said a good word for the Arkansas mules. There, at least, is a class, or a species, which has succeeded, whether by shrewd tactics or mere obstinacy, in maintaining something that approximates the American standard of living. When the FERA came to Arkansas, so the Drifter is informed, there was some difficulty about imposing the minimum FERA wage scale of 30 cents an hour and $2.40 a day upon the local politicians who administered the relief projects. The latter insisted that the local scale of 75 cents a day for Negro laborers was ample; that Negroes receiving this wage were "fat and sassy"; and that their picturesquely large families were both an ornament and an asset to the Southland. They argued further that to pay more would mean that less swamp land would be drained, that less wealth in the form of reclaimed land would be created. The Negroes and their families, it appeared, were not wealth; they were either a means to the creation of wealth or else a liability. Finally, if the 30-cents-an-hour scale were adopted, the economic equilibrium of the region would be upset.

* * * * *

REPLYING to these arguments, the FERA representative pointed out that there seemed to be certain imperfections in the local economic equilibrium; otherwise, why the necessity of federal relief projects? Also, what about the mules? The mules, it appeared, were getting $1.25 a day, plus 50 cents' worth of food, plus a certain amount of personal valeting, plus the attentions of a veterinary when and if needed. The Negroes who worked in that malaria swamp got no personal valeting, no medical attention, and no food beyond what 75 cents a day would buy them. They were free American citizens. They were not property, not wealth. Indeed, the local politicians were rather revolted by the idea of interfering with the right of their black brothers to work for 75 cents a day. But they were equally revolted by the idea of paying less than $1.25 a day, plus food, plus veterinary service, for the mules.

* * * * *

THE mules really were fat and sassy, and any attempt to pay them less than a living wage presumably would have been met by uncompromising revolt, by sabotage, and by the derisive laughter for which that species is famous. The Drifter, who at one period of his career drifted into the army, has known many mules and many Negroes. He learned to like the Negroes greatly and to dislike the mules most heartily. But it would appear that the Negroes have something to learn from the mules in this much-discussed matter of tactics.

THE DRIFTER

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Correspondence

Answering Mr. Chase

To the Editors of The Nation:

Stuart Chase's The Age of Distribution (*The Nation,* July 25) reveals with unusual bareness the basic assumptions common to Chase, Soddy, Technocracy, Utopia, Inc., Douglas, and the "new economics" as a whole.

1. *Uniqueness of the present situation.* With an ignorance of the history of economic doctrine which is truly astonishing, Chase views as unique the present experiences of the contradiction between the expanding forces of production and private appropriation of the product. As a matter of fact, the nature of crises as crises of plenty was known by the earliest Utopian Socialists; Fourier coined the term *crise pléthorique.* That the *technical potentialities* for abundance are here has been a commonplace of the Marxist labor movement since its inception. The theoretical analysis of the conflict between expanding productive forces and the fetters placed upon them by production for profit—the theory of surplus value—is the foundation of Marx's economics. The popular meaning of this has been bred into the blood and bone of both Communists and Socialists.

Where, then, does Chase get the idea that socialism is a "kind of anti-capitalism, developed in opposition to capitalism, in the age of scarcity. . . . Most Socialists appear to assume that the volume of goods is limited . . ."? I challenge Chase to produce any body of popular propaganda of the Socialist or Communist movement which would justify his preposterous remarks. No, the present crisis of capitalism is no different in character from those which Marx analyzed. The forces of production have developed further; there is a larger area of the world covered by developed capitalist industry; and consequently the conflicts have deepened. But the same diagnosis of the disease that Marx made in 1848 holds true for the disease in its present developed stage.

2. *Seeking the solution anywhere but at the point of production.* Chase shares with most of the "new economists" a gross confusion between the technical and the economic aspect of production. "The problem of production is solved," says Chase, and thenceforth looks elsewhere than at the point of production for a solution of the crisis. The only sense, however, in which the "problem of production" is solved is *technically;* the economic problem of production for use, instead of capitalist production for profit, is not solved, and it can be solved only where the problem is—at the point of production.

Every attempt to speak of distribution as a separate problem merely conceals the fact that suggested "aids to distribution" are really aids to capitalist production for profit. Stuart Chase says: "Consciously or unconsciously, economic thinking and economic action are now oriented toward distribution. The consumer is creeping to the center of the stage. Ways and means to furnish him with purchasing power form the outstanding problem of current statesmanship," and so on. This merely obfuscates the fact that the basic concern of "statesmanship" is not developing purchasing power indefinitely but "priming the pump" of capitalist production for profit. Doesn't Chase know that the governmental outlay of funds—mainly going, by the way, directly to finance and industry—rests on this principle, and that no "aids to distribution" contrary to this principle will occur?

In the light of this obvious principle, what would be the concrete meaning of Mr. Chase's solution of "distribution?" He says: "Communists . . . would have workers seize the factories. I would have workers, and consumers generally, control the distributive machinery and organize that flow of purchasing power and goods which governments under the pressure of circumstances *are already feebly steering in that direction.*" What does "distributive machinery" mean? With industry and land continuing under capitalist production, the term can have only one meaning—the monetary mechanism. Factories under capitalist control will not turn a wheel without profit. Hence, Chase's plan must be, by taxation, expansion of currency and credit, and capital levy (I throw this in to make it sound as radical as possible), to provide government with funds whereby it can purchase from the capitalists and farmers goods and produce to distribute to the community.

3. *The disappearance of capitalists.* We have got to the point where it ought to be clear that "aids to distribution" are aids to production for profit and that the only intelligible meaning of Chase's plan would be bigger and bigger aids to production for profit. But side by side with this plan, there appeared in Chase's article the prediction that production for profit, which in Chase's view is going to continue indefinitely, is also, strangely enough, disappearing under our very eyes! Says Mr. Chase: "Technological abundance is breaking the strangle-hold of private ownership on the means of production . . . a distributive economy undermines the strategic importance of the private ownership . . . the capitalists are clearing themselves away—to the extent of a two-hundred-billion-dollar shrinkage in the past four years. And the end is not yet. Mr. Strachey says the capitalists will not permit themselves to be expropriated. It is not a question, as I see it, of permission; it is a question of maintaining expanding markets. If capitalists can expand markets, their holdings will be validated; if they cannot, expropriation takes place by default."

Now, the way I had worked out his meaning, Chase was going to have the government through the monetary mechanism expand distribution indefinitely. With capitalists continuing to control production, expansion of distribution would naturally mean expansion of markets for capitalists. Chase says no. Distribution under private ownership will increase indefinitely and capitalist markets will decrease indefinitely. How strange! But in Chase's idyllic picture of the decline of markets, and the consequent fall of the rate of profit down to zero, he leaves something out. That is: what in the meantime will the capitalists be doing to halt the decline of the rate of profit and to expand their markets?

I agree with Chase that capitalists do not represent "one mind, one heart, one pool for investment, on which one governing intelligence sets the rate." In fact, that is precisely the reason why—with capitalism not being a whole, but a congeries of groupings and individuals—when profits decline, the first necessity of capitalists is to protect the soundness of their individual businesses. For example, I know a capitalist who is thoroughly convinced that the only salvation for business is mass purchasing power. Unfortunately, his own plant is doing very badly, and it is absolutely necessary for him to cut wages. He knows that if he does so and other industries follow, mass purchasing power will be destroyed. But his first duty is to keep the business solvent. I need not labor the point: a declining rate of profit leads in the first instance to an attempt to halt the decline by wage-cutting, with repercussions which only reinforce the general decline—heightening of the struggle between capital and labor and no improvment in business.

For these reasons the capitalist struggle against the decline in the rate of profit tends more and more to concentrate on the expansion of markets. I mean markets outside the country, a phenomenon which Chase apparently found too insignificant even to mention. Why his silence on the most important characteristic of modern capitalism—imperialism? The round of wars—to be prevented by nothing short of world revolution—which capitalist governments will go through long before they permit the rate of profit to go down to, say, 1 per cent is not even hinted

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at in Chase's description of the disappearance of profit. Only fear of the consequences acts as a temporary brake; the need for new markets drives all the nations toward war.

Who, Mr. Chase, is going to prevent these wars or cut them short, by transforming the social order? Will it be your strange, never-never beast, the "consumer"? By his expansion of the currency, no doubt? Many are the artificial adjustments being made today by the intellectuals who see just enough to be unable to serve whole-heartedly the decaying but malignant order of capitalism. I suppose it is personally more praiseworthy for Mr. Chase to write economic fairy tales than for him to take to drink. Nevertheless, I feel it a great pity. He might be putting his talents to the task which raises breathtaking perspectives, especially in America—the building of a new revolutionary vanguard for the transformation of society.

New York, August 16 FELIX MORROW

Contradicting Mr. Solow

TO THE EDITORS OF THE NATION:

Your new Labor and Industry section is excellent in intention, timely, and urgently needed. Because I am a strong supporter of *The Nation,* permit me a friendly protest.

Herbert Solow in his article War in Minneapolis, in the issue of August 8, attacked Federal Mediator Father F. J. Haas, saying "he tried to slip things by the strike leaders but met his match" and "he has abandoned his efforts to sell the strikers an unfair compromise dressed up in fancy language." In Milwaukee the American Federation of Hosiery Workers for years past has worked with Father Haas in causes involving issues vital to trade unionism and the labor movement. We have found this priest a real liberal on economic issues and one of the last men in this country who would attempt to trick or deceive a group of labor unionists. Moreover, Father Haas is fa· too clever and experienced to "put over" things on a group of strikers; he knows such tactics always prove a boomerang.

As a national representative of the American Federation of Hosiery Workers I have been obliged to work closely with Father Haas. During the past year he has served as a member of Senator Wagner's National Labor Board in Washington. We have differed frequently with Father Haas, but we can show conclusively that he is completely trustworthy and usually has a better grasp of practical labor problems than most mediators or arbitrators in labor disputes. I, for one, resent this sort of loosely worded and unsupported attack on one of the few persons in this country who are willing to make real sacrifices of time and effort in the cause of peace in industry.

Minneapolis, August 15 JOHN WALTER EDELMAN,
Research Director, American Federation of Hosiery Workers

Birth Control and Class War

TO THE EDITORS OF THE NATION:

Without entering into the other questions raised by your editorial The Paradox of Birth Control in the issue of July 11, permit me to express surprise at the uncritical acceptance, by yourself and other liberals, of the dubious economic argument for what you call "the democratic practice of contraception."

It should be, but evidently is not, obvious that Pearl and others are arguing from the standpoint of an "economy of scarcity," and that cutting down the birthrate is one form of cutting down the standard of living. It is restriction of production, perfectly in keeping with the restrictions imposed on production of other kinds by the AAA. But it is also a restriction of consumption, and not only an economic effect but an economic cause. Argue, if you will, for the right of workers and their spouses to elect this rather than other forms of deprivation; but remember how easily a permission becomes a requirement. With sixteen million persons on relief, the pressure from the taxpayer can easily become overwhelming to *demand* that births in this class be reduced, and reduced. Only the religious objection, I believe, has stood thus long in the way of formulating such a demand. As for the employer—well, I remember clearly how, years ago, Boston Elevated employees on strike asked for a livnig wage based on an average family of five, and how the company, from its records, showed that the average man in its employ did not have a family of five—his children, even then, averaged two and a fraction. Therefore, no raise. He was not entitled to the option of a larger family, any more than to any other luxury that he had shown his ability to do without.

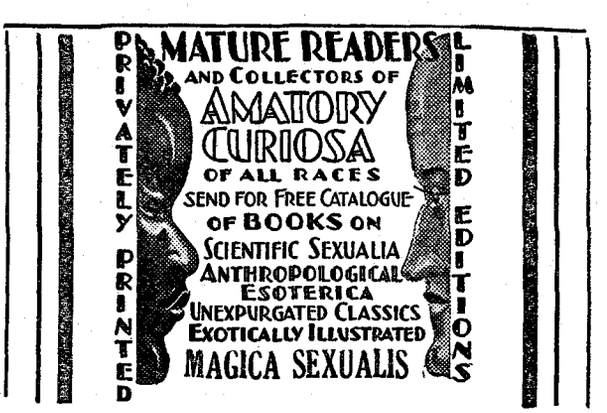
Liberals should think twice before they hail as liberation a liberty which bears close resemblance to those other well-known liberties—the liberty to undercut the market, the liberty to scab, and the liberty to starve.

Buffalo, August 12 C. I. CLAFLIN

CORRECTION

The editors regret that the Public Administration Clearing House was included in an editorial paragraph printed on August 15, commenting on the activities of reactionary organizations of "taxpayers," "investors," and "citizens." The Clearing House serves as an exchange for information concerning problems of government, and while supporting proper measures of governmental efficiency, has in fact been active in attempting to prevent the reckless cost-cutting advocated by such organizations as the New York State Economic Council.

RACIAL ARTS OF LOVE



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Labor and Industry

The Case of Thomas Sharpe

By LEW LEVENSON

THE name of Thomas Sharpe was included in the California casualty list which I recently prepared for *The Nation*. I met him through the screen at Lincoln Heights jail, when I went there with a lawyer on the afternoon of August 1. After some delay the jailer produced five prisoners, three of whom had been beaten up by police. They stood behind two nearly opaque screens, so that it was impossible to see their faces. One of them, Thomas Sharpe, was suspended on crutches. In silhouette, against a dimly lighted wall, I could discern his profile.

He spoke in a low vibrant voice. His English was rather good, I thought, for a marine fireman. He had gone on strike from San Pedro because his pay was 50 per cent less than marine firemen received in 1921, the food was bad, and the bunks were uncomfortable and unsanitary. He had a legal right to strike. Two months after the beginning of the strike, when, with the aid of police, special police, deputies, and armed guards, Los Angeles harbor was forced open, Sharpe together with many other strikers went to Terminal Island, where they asserted their legal right to picket. No fight took place there that day; Sharpe was in no physical struggle. His affidavit, which follows, states in his own words what happened to him late in the afternoon of July 16 and subsequently.

Thomas Sharpe is a typical California workman who in defending his rights met the iron hand of the law. Because he was not shot dead as were Dick Parker, Howard Sperry, and many others, he can still speak. Because of the seriousness of his injuries, bail was raised by Los Angeles friends and he is now in the General Hospital, where he can tell his story freely. He is one of thousands in the State of California who are now in jails, hospitals, chain gangs, behind stockades, or recuperating in private homes.

Affidavit of Thomas Sharpe

State of California }
County of Los Angeles } ss.

Thomas Sharpe being first duly sworn deposes and says: that he is a marine fireman by occupation and a member of International Seamen's Union; that he came into San Pedro, California, on March 28, 1934, on the Point Clear; that the strike was called on May 16, 1934; that affiant came back to San Pedro from a trip on July 13, 1934; that affiant registered for picket duty on July 14, 1934; and was on picket duty on July 15 and 16, 1934, from 12 noon to 6 p. m. That affiant came off duty on July 16, 1934, about 6 p. m. Affiant had been picketing on Terminal Island and went from there to Seamen's Hall; had his card stamped at Seaman's Hall.

That affiant then went to the Anchorage, a restaurant, about a half block away, and ate. Affiant was there about thirty minutes. Then affiant went to Chateau across the alley and was there talking and lounging until about 7:30 p. m.

Affiant saw a crowd gathered outside on the opposite side of street. It was dark. I walked across the street and saw a man standing with his back against the wall, dressed as a seaman, with white cap, dark coat, and dungarees. Then saw his riot club held down by his side. I had crossed the street and was on same side as the party above described; then a Buick car pulled up on opposite side of street. The man with white cap took me by arm and across street and put me into the Buick car. I didn't resist. He prodded me along but nothing was said.

He took another prisoner there; he put me into front seat with the uniformed driver. He put the other prisoner, a young fellow, into rear seat.

He drove us to the police station. He walked me in front entrance and past the booking desk. He never booked me at San Pedro. He walked me to a hallway in the rear which was dark. He had my right arm, and he pushed me ahead of him into hall. As he did so he hit me on the right shin with his riot club. The club must have been about thirty to twenty-four inches long and about one and one-half inches in diameter. When he hit me the first blow, I fell and every muscle in my body went limp. He continued hitting me about the legs and on the right shin. He hit me on the leg about nine times. I was on the floor all this time. Then he caught my right foot and twisted it inwardly until the bones cracked. My leg started to bleed. Some uniformed officer peeped in. He didn't say a word. Then he caught my left arm and twisted and wrenched it, often jerking me to my feet, saying, "Get up on your feet, you red." Then he dropped me and I went down again. Then the uniformed man came in and grabbed my right arm and jerked me up. The other man took my left arm. They lifted me up. Then everything went hazy.

The next thing I remember was lying on a stretcher in a police station, upstairs, I believe. They were putting some stuff in my arm and were trying for some time to stop the blood from my right leg. There was an ambulance driver or doctor in a white coat working on me. Then I came to again in an ambulance. Was half asleep with dope.

Next thing I knew they were booking me at the General Hospital, prison ward. This must have been early Tuesday morning. They were taking things out of my pockets. A doctor looked at me about 8 a. m. He looked at it. "I think you'll have a bad leg since you got here too late for surgery." He took an X-ray and said it was compound fracture of the shin bone. They brought me back. He didn't try to set it. They gave me a shot for tetanus. They put leg in open basket. Then they left me lay until about noon on the nineteenth, Thursday.

There was an open wound on the leg. They put a little gauze over it. They said they'd put a gate in it later, but they never did. Left the hospital on Wednesday following about the twenty-fifth. Was taken directly from the hospital to the bull-pen. Was then laying on iron bed with pad from Wednesday noon to Friday, 1:30 a. m. I was then taken to San Pedro on police patrol wagon. Left San Pedro at 3 p. m. for Los Angeles in overloaded wagon with fourteen people and a police officer. It was a very hot day. They left me in the bull-pen (Lincoln Heights) for eight days, until today, August 14, 1934. I was unable to sit up in bunks. I asked to see a doctor. They repeatedly refused. I saw the doctor once eight days after my first court appearance on the twenty-fifth. Haven't been able to see a doctor since. No further X-rays have been made. No part of the cast has ever been removed.

THOMAS SHARPE

Subscribed and sworn to before me this 14th day of August, 1934.

JAMES M. CARTER,
Notary Public in and for Los Angeles County, State of California

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The Textile Strike

By J. W.

THE threatened textile workers' strike is the logical outcome of more than a year of inertia and mismanagement on the part of the NRA. When the cotton-textiles code, the first of the NRA codes, was approved last summer, it aroused great hopes for the improvement of labor conditions in one of the most sweated industries in the country. But the employers have used the code to prolong and reinforce evils long extant in the mills of the industrial South. To all of this, the NRA has manifested a bland indifference. If the workers walk out, they will be striking as much against the government's failure to redeem the promise of the code as against their employers' failure to introduce a new era.

Basic among the grievances of the Southern workers is the "stretch-out"—the system whereby employers increase the machine load per worker in order to offset minimum wage rates which of course augment the former scale. The stretch-out is by no means new in the cotton-textile industry. Under the NRA, however, it has been carried to a point where flesh and blood can no longer tolerate the ever-accelerating pace of the machine process. The Cotton Textile National Industrial Relations Board was created primarily to deal with the stretch-out problem. In practice the board has refused to regard the stretch-out *per se* as a code violation. On some few occasions it has corrected instances of flagrant "overloading"; but the burden of proof has rested upon the workers. And the board has been deaf to suggestions that employers apply to it for a license before being permitted to increase machine loads.

The handling of labor complaints by both the State and national boards has also exasperated the Southern mill workers. Procedure is cumbersome and slow, adjustments few and far between. Moreover, the essential idea is all wrong. Individual complaints are not investigated and adjusted by the boards themselves. Instead, the complaints go to the national board, which transmits them to the Cotton Textiles Institute, an employers' body pure and simple. In short, employers are brought in to pass final and exclusive judgment on the wrongs committed by their fellows upon wage-earners.

Unlike most of the other industrial-relations boards, the Cotton Textile Board has failed to project a theory of Section 7-a which would advance union recognition and the execution of collective agreements. On the contrary, relying on the literal text of the code, the national and State boards have busied themselves with promoting the establishment of "mill committees." Such committees are supposed to come into being from time to time to mediate specific grievances in individual mills. Inherent in the composition of these committees is the company-union ideal—the employee representatives must be fellow-workers. So far as they constitute machinery for collective bargaining in any sense, the mill committees are spasmodic—created after the event rather than before. Confined in function to averting strikes, they do not bear in the least on the essential element in collective bargaining, the bilateral contract.

Finally, the Southern workers have failed to receive even the modest minimum wages which the code seemingly guarantees to them. First, there has been continuous evasion by employers secure in the knowledge that the machinery of enforcement creaks and is paralyzed. Second, even when code wages have been paid, management has offset this by raising rentals on company houses and prices in company stores. Third, when the cotton-textile industry, some months back, entered upon a program of curtailing production, working hours were reduced but wage rates remained as they were. Thus weekly earnings, already pitifully low, were reduced still further. In sum, the textile workers will be striking, not only to exert pressure on their employers, but also to revive the voice of conscience in the NRA.

Utopia Incorporated

ON another page of this issue appears an article by Miriam Allen de Ford recounting the ambitious aims and considerable progress of the Utopian Society, which caters to the characteristic and widespread dream of something for nothing, specifically of a revolution that is absolutely painless and works while you sleep or your money back. The Utopian Society itself makes much larger claims than Miss de Ford grants. According to its own statement, "members are coming in at the rate of about 50,000 per week here in Los Angeles, while our workers are carrying forward in other cities as rapidly as they can be trained and sent out. . . . Our local membership numbers close to a half million and the movement is spreading with unprecedented rapidity."

We print below excerpts from the leaflet which the society sends out to those seeking information. It not only contains a declaration of the aims of the society but also gives instructions for the benefit of anyone who may wish to organize a local chapter of Utopia.

(Chairman appoints good reader, man or woman—who reads slowly and dinstinctly.)

(Start reading when you get cue: "You will now hear the Declaration of Aims of this Society.")

DECLARATION OF AIMS OF THIS ORGANIZATION

We, loyal members of the Utopian Society, believing the Constitution of the United States to be a document of high moral purpose, reaffirm our allegiance thereto.

* * * *

We shall faithfully and diligently apply our *reason* and *resources* toward the establishment, through intensive education and orderly procedure, of that sound social system which will provide economic security and abundance for all. Thus we aim to secure unto ourselves and future generations the right to Life, Liberty, and the Pursuit of Happiness, in a society greater and finer than has ever before existed.

The Utopian Society lays stress on the following points:

1. To guarantee to everyone the right of employment and an income insuring that standard of living to which every American citizen is entitled.

2. To so order the channels of distribution that no one need again feel the pangs of poverty.

3. To provide a full measure of comfort and security for the sick and aged.

4. To provide the economic security of that sacred institution—the American Family—under all conditions.

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5. To assure to the young, education in the arts and crafts for which they have natural inclinations.

6. To end forever the disgraceful and immoral institutions now called charitable institutions, by eliminating the cause of them.

7. To eliminate the possibility of monetary reward for crime and racketeering, whether within or without the law.

8. To prevent speculation in the medium of exchange, thus eliminating panics and depressions.

9. To prevent the injurious hoarding of the country's natural wealth, to the benefit of the few and the detriment of the many.

We attest that the machine is man's good friend, since it provides for his many needs with the least amount of expended energy. We recognize the evil results, however, to both producer and consumer of uncoordinated production. We therefore state as one of our fundamental aims the coordination of production, distribution, and consumption to best serve man's interests.

We subscribe to the policy of maintaining adequate defensive forces, but condemn—and will use every weapon in our power to prevent—the slaughter of our American manhood in disastrous wars brought upon us by those whose sole object is to wring profits from the blood and sinews of the sons of America.

THESE ARE OUR AIMS

(Wait for "cue" from chairman, "Guard, conduct the candidate to the Recorder.")

(Reader reads slowly, as follows: "Cast Fear and Evil from your hearts. No harm will come to you. You are among friends who think and act in terms of Love and the Brotherhood of Man.")

(*Instructions: reader retires.*)

Labor Notes

Dynamite

ANOTHER McNamara case, with its consequent undermining of the cause of labor, is in the making in connection with the strike at the Girard Point plant of Andrew Mellon's Gulf Refining Company. This strike of 900 workers presented a clear-cut test of Section 7-a, and unlike the Weirton and Greif cases, it seemed to hold the possibility of direct prosecution for the first time, owing to several circumstances. The first was undoubtedly that the complainant was not General Johnson but Secretary Ickes, acting as administrator of the oil and petroleum code, upon recommendation of the Petroleum Labor Policy Board. In the second place, not only refusal of union recognition but also violation of maximum-hour provisions of the code was involved. In its report to Ickes the petroleum board pointed out that the company refused to negotiate with the Independent Oil Workers' Union, made up of former members of the old-line American Federation of Labor union, forced the strike, and then violated the law in its strike-breaking tactics. The issue seemed clear enough, and the Department of Justice at last seemed confident enough of victory to press the case.

Now, however, the prosecution of the Gulf Refining Company seems very remote. Police, doubling as labor spies, found thirty-three sticks of dynamite secreted in a striker's home and arrested three union men for an alleged plot to "blow up the works." The strikers denied contemplating violence, the union shouted "Frame-up," and organized labor and liberal and radical groups sprang into the fray, ready to carry the case to the highest courts. Then, of a sudden, one of the arrested strikers admitted that the dynamite was his and that he had intended, indeed, to turn wrecker—of course without the knowledge of the union. Thus betrayed, the temporary "united front" of the defense collapsed, and public sentiment, which had been with the strikers, turned against them. All in a moment the careful, tedious organizing work of many months was undone and the strike discredited. The company's citation for violation of the NRA has already been lost sight of, and the prosecution which seemed so certain before the dynamite incident seems much less likely.

An Agricultural Strike

EIGHT HUNDRED onion workers, organized in the first agricultural union affiliated with the A. F. of L., have been on strike since June in the Scioto marshes near McGuffey, Ohio. They demand recognition of their union and thirty-five cents an hour instead of the twelve cents and less which the growers have been paying. The strike was on the whole peaceful until recently, when the Mayor's home in McGuffey was bombed. A few hours later, the leader of the strike, Okey Odell, was kidnapped and badly beaten before being released. The violence, significantly enough, occurred within two weeks of the time when the crop must be harvested; the theory that Mayor Ott's home was bombed by strikers does not fit the fact that he is regarded as favorable to the strikers; and the mob armed with clubs which roamed through the town for several hours on August 25 was violently anti-union—at one point they gathered before the house where the injured Odell was lying, guarded by friends, and dared him to come out. A federal mediator has been dispatched to settle the strike. He is not the first. Several weeks ago the workers rejected the proposal of another mediator which provided a wage rate of fifteen cents an hour without recognition. The background and the issues in the Scioto strike will be discussed next week in *The Nation's* section on Labor and Industry. In that issue special attention will be given to the agricultural worker, who is completely unprotected by either federal or State regulation and who with his children constitutes one of the worst-exploited groups in the United States.

Unionism Wins in Minneapolis

AFTER more than five weeks of struggle, the striking truck drivers in Minneapolis have gone back to work. The settlement negotiated by federal conciliators does not give the union all it wanted, but a minimum wage has been fixed which protects raises given in an effort to stop the May strike, and the right of Local 574 to represent market inside workers, the issue which led to the present strike, is definitely established. Elections which will have been held by the time this report appears give the union a chance to win formal recognition in most of the industry.

Militant leadership and a courageous and united rank and file kept the strike from being smashed by police terror, worn out by the delays of mediation, or defeated by the calling out of the National Guard, which is by its very nature a strike-breaking move. Governor Olson, Farmer-Labor idol, resorted to this measure after the employers had rejected the first proposals of Father Haas and E. H. Dunnigan, federal mediators—which had been accepted by the union and indorsed by the Governor. Under the Governor's permit system, thousands of trucks were allowed to operate; many others violated military "or-

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ders," but the National Guard proved efficient at catching no offenders. It is significant that not a single "chiseler," as Governor Olson called those employers who attempted to violate the permit system, landed in the military stockade. Instead, this stockade was filled with strikers. Peaceful picketing became a military offense. Strike meetings in the open were forbidden. Sellers of the *Organizer*, the strike daily, were arrested. Strike headquarters and the Central Labor Union headquarters were raided and strike leaders arrested. To be sure, the Citizens' Alliance was also raided, but it developed that important files had already been removed.

Meanwhile the federal mediators were working out a new set of proposals which were highly acceptable to the employers. But the strike leaders and the rank-and-file Committee of One Hundred overwhelmingly rejected the terms offered, and the strike continued unbroken.

At the moment when the employers, particularly the little fellows on the verge of bankruptcy, began to demand peace, a third federal mediator, P. A. Donoghue, proposed a new settlement, differing from the first to the disadvantage of the union in only one important respect—a wage level 2½ cents lower. The employers and the Citizens' Alliance in accepting the settlement abandoned two "principles" they had sworn to maintain. They agreed to take back even those workers accused of violence and they gave de facto recognition of the right of workers to choose their own leaders.

Locking the Barn Door

A RECENT policy memorandum from NRA headquarters announced the exclusion from future codes of all provisions averaging maximum hours over periods of weeks and months. Instead, the codes will stipulate a maximum for any given week, modified by a flexible tolerance. As the cost of availing himself of the tolerance, the employer must subject himself to the penalty of overtime rates of pay. Another policy memorandum stipulated that in establishing an accounting basis for sales price, the producer must reckon the value of his inventory by whichever test gives the lesser result—original cost or current market. Both memoranda are admirable in motivation and logic. Their policies should have been applied from the NRA's first days. There is, however, one catch. Code-making has virtually ceased. The memoranda give no assurances that the codes whose provisions conflict with these new policies will be amended. Both memoranda seem mere pious gestures.

Steel and Collective Bargaining

THE overlords of the steel industry are no doubt bluffing when they threaten to scrap their code rather than accept the theory of industrial relations—the election of representatives for collective bargaining, with majority rule—which the National Steel Labor Relations Board seems ready to project in the Apollo Steel and West Virginia Rail cases. Those who profit from that "Magna Charta of monopoly," the steel code, are not likely to cast away its benefits in a fit of pique. More probably they will challenge the authority of the board in the federal courts. It is worth noting on this score that Federal Judge Bowen some months ago refused to grant an order enjoining the Seattle Regional Labor Board from conducting an election of representatives for collective bargaining among the employees of several copper mines in Idaho. The injunction was sought by a group of anti-union employees, and was refused on the grounds that an election is merely a device for gathering evidence, and that a trade union is legally entitled, within the meaning of Section 7-a, to bargain collectively on behalf of employees who designate it for that purpose. In the Weirton Steel case, which is now coming up for a final hearing, the election issue is also involved. Here the government is seeking to compel the employer to submit to a referendum at which the workers will choose between representation by either a trade union—the Amalgamated—or a company union. Judge Nields's earlier decision, when he refused to grant a temporary restraining order, was determined on technical grounds. The final hearing, if it is held, will decide the case on its merits.

Formula for Peace

THE usually turbulent anthracite coalfields of Pennsylvania have been comparatively calm for several months, as rival unions held their enmity in check while an umpire for the National Labor Board heard more than 1,000 grievances and attempted to iron them out by arbitration rather than by dynamite or bloodshed. This umpire recently finished his deliberations and handed down his formula for the restoration of mine peace. He finds that everything will be fine if, among other things, the United Mine Workers of America and the opposition Anthracite Miners of Pennsylvania patch up their differences and perhaps consolidate, if jobless miners are given jobs, and if rates of pay are made uniform. He neglects, however, to tell how these things are to be accomplished. To make peace the U. M. W. would have to reinstate thousands of former members who were expelled when they joined the insurgents, and it has no desire to do this because the "faithful" are hard enough to keep in line when there are no jobs. The Anthracite Miners, on the other hand, would not even think of coming back unless the typical U. M. W. bureaucracy were wiped out, and there is small chance of accomplishing that. There is a similar split over wage scales, the insurgents having many times walked out in protest against the old union's rates. As for the value of providing jobs, that is self-evident. But the Anthracite Conciliation Board does not get at the root of things, where lie such matters as the status of the operators in the coal problem, the inertia of the industry, the ownership of mines by utilities, price-cutting, and the like.

Contributors to This Issue

EVELYN LAWRENCE has just returned from Europe, where she spent six months studying political and economic conditions and working with the underground and revolutionary movements of Germany and Austria.

WILLIAM ADAMS has made a study of merchant shipping and has published articles on the subject in the *Forum* and other magazines.

SUZANNE LA FOLLETTE was formerly the editor of the *New Freeman*. She is the author of "Art in America."

MIRIAM ALLEN DE FORD is a California newspaperwoman.

ANITA BRENNER spent the greater part of last year in Spain. She is the author of a book on Mexico, "Idols Behind Altars."

COLLIS STOCKING, a member of the department of economics of New York University, has contributed articles to various economic and sociological journals.

EMERY NEFF is assistant professor of English at Columbia University and the author of "Carlyle."

MARGARET LARKIN is the compiler and editor of "Singing Cowboy," a book of Western folk songs.

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Books

Spanish Literature and the Republic

ARE leisure, prosperity, and national peace of mind essential to a flowering of the arts? And are aloofness and personal serenity basic conditions for great creative work? We are accustomed to say so, smoothly. Yet when we begin to list the great works of the past we are likely to find that their dates signify periods of acute unrest, confusion, and strife, and we are also accustomed to accept "of course" the economic, political, and personal sufferings of most of the artists we put in first rank. So perhaps the conditions we postulate as basic for what we afterwards call a "renaissance" are derived not so much from historical fact as from the quite reasonable feeling that most talents could do much if allowed to work in peace, unharassed by issues not immediately personal. Or it may be that we are disturbed to find the "great" so frequently on the wrong side of the railroad tracks. Also, what we recognize as "great" is so often tragedy that we ourselves may choose to admire products of conflict, strife, doubt, and despair.

In Spain, as probably in most countries of Western European culture, the livest periods of literary and artistic activity seem to coincide with periods of political and social unrest. A kind of renaissance occurs in the years of hot republican, anti-church, and constitutionalist agitation preceding the first constitution (1812)—the Goya period. The artistic-literary barometer drops in the ensuing period of triumphant reaction, in which the Inquisition is reestablished and civil liberties are choked out, and goes up again before and during the First Republic (1871), around which Pérez Galdós wrote some of his most sparkling pages. To this period belong the historian Pi y Margall and the best work of the great essayist Joaquin Costa. The curve slumps again after this peak and rises sharply to the "generation of '98"—Unamuno, Blasco Ibañez, Pio Baroja, Valle Inclan, Ganivet. Why 1898? In that year Spain lost Cuba, and the dream of colonial might upon which Spanish youth had been nurtured for many generations was blotted out. The young men of that date suddenly discovered that Spain was a second-rate Power, off in a historical blind alley. Costa's cry, "Double-lock on the tomb of the Cid!" became the slogan with which the indignant, rebellious intellectuals whipped at monarchical glories. A mood of investigation, inventory, revaluation, "Europeanization," protest, repudiation, and reconstruction possessed them, and driven by it the *generación del '98* became a generation of rebels and political trouble-makers. They all experienced jail, exile, or both; they all took an active part in the movement against the monarchy, writing sometimes as republicans, sometimes for the Anarchist press—especially Unamuno and Baroja; and they restored Spain to an honored place in literature and living thought.

From the *generación del '98* stems a continuing movement, which diverges in the next generation into several groups. The Ortega y Gasset circle, built around the magazine *Revista de Occidente,* became a forum for literary, philosophical, and to some extent social-critical essays. It was known throughout the dictatorship and in the last year of the monarchy as a republican center, but is today, without having greatly changed character, well over on the conservative side. Another group formed around Benjamin Jarnés and the magazine *Cruz y Raya.* They devoted themselves chiefly to aesthetic, literary, and psychological problems, and their intellectual focus gradually moved away from Spain to Paris. Jarnés is the subtlest and most talented member of this group, which today has split—many of the younger members have gone over to the social-political ranks, while the rest have to some extent tended to degenerate into introspective inactivity and hair-splitting over pure technique.

The contemporary generation, like its literary grandparents, concerns itself chiefly with political and social questions. Its members are aged from about twenty to forty, and belong, as did most of the '98 men, to lower-middle-class and peasant families. Politically this agglomeration of intellectuals shades from Jacobinism, as represented by Azaña, to communism, typified by the novelist Ramón J. Sender. Azaña, whose forty-odd years put him in the intermediate generation, became active as a writer later—in the years of the dictatorship. He is an essayist and orator, and is usually ranked as Spain's greatest stylist after Unamuno. He belongs to the Unamuno school of brief, blunt, matter-of-fact statement heated by indignation and edged by wit. In his critical essay on Ganivet, published in *Plumas y Palabras,* he turns a hard, white, scholarly light on Ganivet's neo-Catholic mystic nationalism (from which Waldo Frank's "Virgin Spain" issues) and achieves a solid masterpiece.

The other political-historical writers of literary stature and weight are chiefly left-wing. Among them three stand foremost: Joaquin Maurin, the richest and most vivid, is leader of the dissident Communist peasants' and workers' bloc; Andrés Nin, the coldly precise, lucid classicist, is leader of the Communist Left ("Trotzkyite") League; and César Falcon, robustly journalistic, is prominent in the Communist Party. Journalists of political tinge, following the '98 tradition of protestant examination of things Spanish, are many and distinguished. Two of the most interesting are Francisco Madrid and Alardo Prats. Madrid, who had made a name for himself as a "smart" playwright, turned his back almost completely on the theater when he dived into politics as a Republican and became part of the famous Rotonde—Unamuno, Ibañez, and others—group of exiles. Prats is known for "Tres Dias con los Endemoniados," a book describing a witches' shrine in Valencia, where bedeviled peasants go to be cured. The book derives its strength from the material itself and from the shocked indignation of the author.

Ramón J. Sender is probably the most widely read among the younger Spanish novelists. His books are often issued in cheap pulp-paper editions, of the sort made popular first by the Anarchists, who have long been writing and publishing pamphlet-stories vaguely political in character and of scant literary merit. Nowadays these editions—to be seen in newsstands, market booths, and workers' hands on holiday—have enlarged to include translations of Remarque, Zweig, Dos Passos, Sinclair, the classic and modern Russians, and popular histories, as well as native novelists and poets. Sender, however, is published also by the higher-priced houses, as is another writer of the same sort but of less permanent consequence, Joaquin Arderius.

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Arderius, like Baroja, writes chiefly about peasants, but in a strangely morbid, nightmarish mood which in some books acquires power comparable to Faulkner. Sender's canvas is larger. Also, his books are plainly revolutionary, though a note of defeat runs through them. The most famous, "Iman," is the story of a private in the Annual disaster—when the Moors under Abd-el-Krim drove back the Spaniards and slaughtered some ten thousand; the result, it was later revealed, of sheer irresponsible pretentiousness in the higher commands. A more recent and also widely popular Sender story, "Los Siete Domingo Rojos" ("The Seven Red Sundays") is written around a strike during the republic, and is *surréaliste* technically. In it symbol and mood as much as action run into, underlie, and help to determine events, and different types are used as screens through which the reader sees newspaper facts in emotional settings.

The "problem of the intellectual" is the theme of a first novel, "Un Hombre de Treinte Años" ("A Man of Thirty"), by Manuel Benavides, recently published by the Socialist press. It is the story of a reporter on a comfortably established weekly who, in spite of himself and of his frightened wife, finds himself gradually involved in labor conflicts and at the end fighting on the barricades. It is not a specifically Spanish story, for it could be paralleled anywhere in the world; but in that fact lies a significant clue to the very wide horizons opening now in Spanish art.

ANITA BRENNER

The Myths of Wall Street

Security Speculation: Its Economic Effects. By John T. Flynn. Harcourt, Brace and Company. $3.

THIS is probably one of the most comprehensive and illuminating analyses yet made of the recently much-discussed question of the economic effects of speculation. Mr. Flynn writes with an intimate understanding of his subject and analyzes his abundant material with temperance and forbearance. In describing the market-place and the economic function of speculation he explodes, one after another, the illusions which have been implanted in the public mind through the use of great sums of money and immense energy.

By adhering to a conventional definition of security speculation as "an operation in which one buys or sells securities with the design to make a profit out of the changes in the market price of such securities" he rather thoroughly deflates the widespread notion that security speculation has played an important role in our great economic development.

In considering the contention that security speculation is necessary in order that industry may obtain the capital it needs, the author presents an analysis of the financial organization of a number of important corporations. He demonstrates convincingly that the obtaining of capital through the issuance of speculative securities is, and always has been, a rare exception rather than the rule. And the twin contention, that people are unwilling to place their funds in securities for which a continuous market is not maintained through highly organized speculation, he effectively disposes of by pointing out that the amount of unlisted industrial securities held by American investors is, in value, worth twice as much as the securities listed on the Exchange.

There can be no doubt, however, that speculation maintains a market for listed securities, if one means by a market an opportunity readily to acquire or dispose of stock regardless of price. As a matter of fact, speculators, operating through the machinery of the Exchange, not only maintain a market; they "make" it in a very literal sense. In this connection, by analyzing some of the evidence compiled by the recent Senate investigation, Mr. Flynn conclusively refutes the popular notion that stocks cannot be manipulated. Moreover, he demonstrates that it is through their unconscionable manipulations of the market that the speculators make their biggest winnings. And lest one be misled by the reputed righteousness of the Exchange to believe that such nefarious practices are carried on by unholy freebooters, it is made perfectly clear that many such practices are permitted by the tolerant rules which the Exchange has established to govern trading. Mr. Flynn's own conclusion as to the defensibility of "making a market"—that is, manipulating prices in order to unload on the unwitting buyers—is as follows:

> The whole false notion grows out of that unsound theory of liquidity of which so much has been said. There is no reason why the holder of a capital investment should be able to find for his investment immediately and without delay or loss another owner. There is no reason why capital investment should be more liquid than consumers' goods, and the effort to import liquidity into capital investments has resulted in a whole train of evils—economic, industrial, financial, and social—not the least of which has been the complete extinction of the function and responsibility of ownership.

In proposing remedies and appraising the recently enacted legislation for government regulation of the security exchanges, Mr. Flynn shows how the originally proposed measure was very substantially emasculated before it was permitted to become law. Many considerations important to effective regulation are vaguely worded or definitely submitted to the discretion of the governing body.

> The law itself, as it stands, forbids and requires so little that we may truthfully say there is no body of laws as yet governing the securities markets until the commission considers, adopts, and promulgates them. We shall have to await that even before forming a judgment of the value of our experiment.

It is probably expecting too much to hope that Mr. Flynn's study will lead any great number of people to assume an intelligent attitude toward the activities and importance of the Stock Exchange. Contrary to the popular notion, most of the business of the Exchange has absolutely no relation—save in an indirect and adverse way—to our industrial processes. The gambling that it furthers is more reprehensible than the European national lotteries which we try so determinedly to exclude from this country. They at least possess the virtue of indiscriminate fairness which many of the dealings on the Exchange lack.

That such an institution has been tolerated and until now allowed, like the medieval Steelyard, to remain outside of domestic law, is due to skilful propaganda and the naivete of the great mass of people. In the light of the material Mr. Flynn presents, one might logically employ a passage which he uses in appraising the activities of the specialists and the floor traders and apply it to the whole field under consideration:

> [In no field does one encounter] so much pretentious rationalization, so many fantastic reasons invented to defend practices which have no excuse for existence save the profits made out of them by a few persons, as in this subject of speculation. There is, indeed, something depressing about it—the sober, solemn arguments made in support of the speculating and gambling activities of specialists, of floor traders, and even of pools and syndicates, by Stock Exchange officials and the kind of hired economic help which is open to any business man with the necessary funds. It all falls with a sickening feeling upon the ears of those who know what is honestly believed about these practices on the Exchange and in Wall Street itself.

COLLIS STOCKING

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Carlyle's Last Years

Carlyle in Old Age (1865-1881). By David Alec Wilson and David Wilson MacArthur. E. P. Dutton and Company. $5.

THE monumental biography of Carlyle interrupted by David Alec Wilson's death is now completed from his notes and collected materials by his nephew, David Wilson MacArthur, in a sixth volume which maintains with admirable harmony the original plan and style. Introducing Carlyle at the age of seventy, with his writing practically over after "Frederick the Great," this final volume is, as Mr. MacArthur observes, "in the main, a slow march on the downhill of life." But it is none the less interesting, for Carlyle the man vigorously survived Carlyle the writer. His personal drama reaches a climax in the triumph of the Rectorship, especially dear to Mrs. Carlyle as the conquest of the snobbish Edinburgh that had once neglected her struggling husband. Immediately follows the stunning blow of her death. With inconsolable grief—not remorse, as Mr. MacArthur amply shows—Carlyle has also to suffer despair as to public affairs, while England, rejecting his passionately reiterated warnings, persists in her path of democracy, laissez faire, and materialistic science. "Shooting Niagara" is a magnificently detached confession of the bankruptcy of his hopes. Yet when his trembling hand can no longer hold a pen, his conversation continues to delight an ever-growing circle of admirers: the faces of Froude, Tyndall, Lecky, and Leslie Stephen appear, as his old friends, Thackeray, Dickens, Mazzini, Forster, and Mill, precede him to the grave. Some of his celebrated phrases, such as "the unspeakable Turk," belong to these years, together with flashes of quizzical humor, as when he asks Darwin whether there is any danger of men turning back into apes. He continues to live the simple life he has preached, astonishing literary London by remaining in the small house in the unfashionable district of Chelsea, which he had originally chosen for cheapness and quiet. His slightly bent figure with the almost youthful stride is a familiar sight on London streets in all weathers. Invited to an audience by Queen Victoria, he shatters precedent by calmly sitting down in her presence, with excuses for his aged back. Ironically, honors, including the offer of a peerage, are showered upon him by a generation that disregards his prophecies. Grimly fighting dyspepsia and a world gone wrong, the heroic old man lives on past eighty-five, his last hours being disturbed by the reiterated knocking of newspaper reporters inquiring after his condition, symbols of the publicity he despises.

Now, when time has brought into question Carlyle's enemies—laissez faire, political democracy, and confidently materialistic science—the Wilson biography appears opportunely to satisfy renewed interest in the Victorian prophet. This final volume contains important new material gathered from the lips as well as from the written memoirs of the last generation that knew Carlyle in the flesh, including Henry W. Nevinson and others now living. The garnering has been done thoroughly, the only important omissions seeming to be a letter from George Meredith to André Raffalovitch, which would strengthen Mr. MacArthur's position as to the marital relations of the Carlyles, and Carlyle's jottings to an amanuensis on promoterism and trade unionism, interesting as the final phase of his economic views.

With the entire biography before us, we must meet the question of whether it will supersede Froude, the only rival on its large scale. The Wilson biography has taken good advantage of the perspective of time, with its accumulation of new information and its freedom from the disturbing influences of party feuds and of personalities, such as the fascination of Mrs. Carlyle, which led Froude astray. The scholar will consequently prefer it as a vast storehouse of conscientiously sifted facts concerning Carlyle, to which he will supply from his own knowledge the historical background and the literary judgment in which D. A. Wilson was not strong. But the less-informed reader desirous of a clear and vivid impression of Carlyle's career and personality will probably turn aside to the admirable plan, the narrative continuity, the graceful style of Froude. That such an arrangement was possible even with the bulkier and more heterogeneous materials of the Wilson collection will be apparent from a glance at M. Elie Halévy's accomplishment of a similar and more difficult feat in his "History of the English People in the Nineteenth Century." The power of literary form is such that Froude's prejudices and errors may still survive.

EMERY NEFF

China in Transition

A Chinese Testament. By Sergei Tretiakov. Simon and Schuster. $3.

ONCE in a long while one finds a book which reads like a page torn from life. Rarely is such a book about a foreign country; still more seldom is it about people whose culture, mental patterns, and ways of thinking are as dissimilar to our own as those of the Chinese. A number of really excellent books on the East have appeared in the last few years, but none has caught and reflected the spirit of the new China, as it emerges from the chrysalis of stagnant tradition, as does the present volume. Tretiakov's success where others have failed may be attributed in part to the fact that as a Russian he was better fitted to grasp the significance of the revolutionary upsurge than the average foreign writer. To a considerable extent, however, it is due to the unusual technique which he has employed.

"A Chinese Testament" is the autobiography of a young revolutionary, Tan Shih-hua, who happened to attend some of Professor Tretiakov's classes at Peking University. In many respects the story is typical of that of educated youth throughout China today. Tan was born in a remote village in Szechuan, the son of a professional revolutionist who was closely associated with Sun Yat-sen. His family were of the literati, eminently respectable but poor. His earliest memories of village life, of family customs and the elaborated ceremonies associated with births, deaths, and marriages, reflect the strangle-hold of the past on every phase of Chinese life. Yet new ideas were beginning to make headway—his father had virtually cast off all family responsibilities in the interest of overthrowing the corrupt Manchu regime. As a consequence young Tan was brought up with very little contact with his father, although his boyhood was colored by the vicissitudes of the revolutionary cause. On one occasion his father was cast into prison and was saved from execution only after the most elaborate campaign of official wire-pulling. Later both father and son had to go into hiding for a protracted period in order to escape the ire of a reactionary governor.

It was natural therefore in 1915, when the students first rose up in protest against the Twenty-one Demands, that Tan, then a student in middle school, should become one of the leaders of the local boycott movement. But although untiring in his demand for a higher civic morality, Tan—like the majority of youth in his day—put up little resistance when his family decreed that he should follow the old Chinese customs with regard to marriage. His sensitive soul was cut to the quick by the barbarity and cruelty of the old marriage practices, but to dishonor his family by refusing to conform called for more courage than he possessed. As fortune would have it, the matchmaker's choice was as bad as it could possibly have been. His wife

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turned out to be an illiterate moron without even the saving grace of physical attractiveness. Yet it was only when she committed the unforgivable crime of betraying his father that divorce was even considered.

Shortly after his marriage Tan was allowed to go to Peking to continue his education. He arrived just in time to be caught up in the maelstrom of the Chinese renaissance, and a short time later became associated with a little group of radicals under the leadership of Li Ta-chao, known as the father of the Chinese Communist movement. While never becoming an active Communist he, like many of the others, was deeply influenced by Russia, and was later drawn to Moscow to complete his education. The book ends abruptly as Tan leaves the Soviet Union to return to China, presumably to give his life to revolutionary activities.

In all, scarcely a quarter of a century is included within the span of this story. But during this brief period profound changes have occurred in the fundamental structure of Chinese life. The political revolution has thus far been a failure, but irresistible social and economic forces are at work which cannot long be held in check. At the moment, these forces, like Tan himself, are buried somewhere in the interior of China, working underground but relentless in their operation.

MAXWELL S. STEWART

Success Stories

Beale Street: Where the Blues Began. By George W. Lee. Robert O. Ballou. $2.50.

"WHERE the Blues Began" is a misleading subtitle for a miscellany of success stories and local legends about the Negro section of Memphis, Tennessee. It is not about music. Two of its twenty chapters deal with Negro bands and orchestras and with the rise to fame of colored entertainers—"Louise Cook, exponent of the snake hips, who dances at Connie's Inn," Doe Doe Green and other members of the "Green Pastures" company, and others. Another fifteen pages are devoted to W. C. Handy, who changed the course of American popular music with his "St. Louis Blues" and made a fortune out of it because he had the financial acumen to publish it himself. George W. Lee, a business man on Beale Street, obviously is not equipped to tell Handy's story in any other terms than those of financial success. What he really has written is "Beale Street: Where the Negro Business Man Began."

The story opens with a eulogy of a colored banker and "realtor" who controlled most of the businesses on Beale Street in the late eighties, and ends with a eulogy of his son, a Republican boss there today. It contains biographies and anecdotes of Beale Street's gamblers, dope peddlers, and dark courtesans, whose charms were officially reserved for white men; of colored preachers, bankers, "beauticians," tailors, doctors. It recalls the long, shameful history of lynchings in Memphis and the rumors, lies, and racial slanders that set them off; gives a somewhat technical account of how a few white men were backed by the Ku Klux Klan in seizing control of the Negro insurance companies; gives full details, including speeches and newspaper accounts, of the opening of a park named after a colored philanthropist; solves murders and fixes the blame for the local bank crash. Much of the material of the book is fascinating. But many pages, even chapters, are given over to facts of the kind a census taker might collect, gathered into little biographies that serve to conceal the subjects as effectively as so many obituaries. The valuable portions of the book are drowned in undistinguished matter which obviously did not interest even the author. The final chapters give the key. The author is a politician as well as a successful insurance man. The little obituaries are rewards for the faithful Republicans of the district. When we read, "In the same block with Booth's office is that of Edward R. Kirk, Beale Street's 'Brown Napoleon' in real estate," we may know that Mr. Lee is mending political fences.

The one personality who emerges from the book is Robert R. Church, Tennessee's colored Republican boss. Mr. Lee's admiration for him is naively uncritical; he presents the reader with a full view of his hero's political chicaneries, paternalism, patronage system, trade-ins with the Democrats, and sell-out to the Hoover machine, which he disapproved and which betrayed him. Mr. Church helped to nominate Hoover but threatened to withdraw votes because of the presence of Klan members on the campaign committee. Slight concessions brought him into line. But Hoover did not reward him with handsome patronage as Harding had done; expected Negro appointments were canceled and lily-whites were installed in every important place. Years of careful building to make the Negro a politically important factor in Tennessee politics were swept away. Church wrote to Hoover: "I wish only to report upon the grievous disappointment of colored people. I wish you to know that where their hopes had been fondest their sorrow is keenest now, and where they had been led to expect the bread of encouragement they have received the stones of contempt." The next campaign saw him maneuvering to hold his power in the county convention. Futile as it had proved, position in the Republican Party was preferable to political extinction.

The bourgeois Negro is in a peculiarly tragic position in America. By raising himself above the proletarian and farmer Negro he cuts himself off from his own main stream. The whites bar him from further advancement. The correct Babbittry of the middle class is intensified by the incessant need to prove that a Negro banker, doctor, merchant, or civil servant is as good as his white prototype or even better. This is the point of view in "Beale Street." It accounts for the pedestrian dulness with which Mr. Lee has handled the dramatic and heroic story of a Negro community struggling for economic and political power in the midst of the intolerant South.

MARGARET LARKIN

Shorter Notices

Full Flavour. By Doris Leslie. The Macmillan Company. $2.50.

The first section of this novel, a reconstruction of family life in the Victorian Age (1848-68), is by far the best written—perhaps the atmosphere persuades us. The book loses vitality as the narrative of four generations approaches modern times. Miss Leslie makes clever use of background. The Ducros (Ducroix) family make the acquaintance of various well-known historical and literary figures, and thumb-nail drawings of Disraeli and William Morris add a kind of familiar charm to the story. But the tale is mainly that of Catherine Ducroix, a young Victorian miss reared in a most Victorian manner, who becomes—a tobacco merchant. She enters her father's business, and upon his death controls it, having developed meanwhile a nose for cigars. She falls, rather unfortunately, in love with a young artist and marries him—the typical young artist of the Rossetti period. Part business woman, part wife and mistress, at once Victorian and a forerunner of the later feminist, she fails her husband, or so she thinks. The reader will have some difficulty persuading himself that it is Catherine's will to control the lives of those she loves that really destroys the marriage. Rather, he may conclude that Victorianism and Bohemianism don't mix. "Full Flavour" is popular romantic fiction rather better than most. But Evelyn Scott's "Breathe upon These Slain" is a far more important reconstruction of Victorian life and scenes and

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has an important theme. "Full Flavour" is merely a good story, which lacks, moreover, the subtle irony of "Cavalcade," the work it most resembles. Miss Leslie has a gift for creating atmosphere, but she seems to have little talent for portraying intricate characters and even less, if this book is any indication, for contriving original plots.

Tom Tiddler's Ground. By Edward Shanks. The Bobbs-Merrill Company. $2.50.

In homely language "Tom Tiddler's Ground" is the story of a man who danced and had to pay the piper. The case of Tom Florey, the hero of Mr. Shanks's long novel, is not an extraordinary one; readers will be pleased to recognize his prototypes among their acquaintance in America as well as in England. When the war ended, young Tom Florey, son of an unappetizing, fourth-rate English innkeeper, was thought to be on his way to a brilliant political career. But Tom did not care to climb the slow and honorable steps to power. He wanted quick recognition, quick money, and a great many quick drinks. He left the government service for a gold-plated executive position in the new business world. He married a beautiful, cold, luxurious wife, bought himself a house in the country, gave parties, and went more and more heavily into debt. He lost the gold-plated job and replaced it with another, shadier still, but lucrative. Whiskey, business worries, cold adulteries, brought about heart attacks. Still fairly young and still promising, he died in a hotel in Berlin after a drinking bout. The book is far more engrossing than its hackneyed plot would lead one to expect. Mr. Shanks has caught very well the atmosphere of pre-war Germany, of the war-time Organization Office, of the small-town inn, of London's young Bohemia. Also, among his minor characters there are a number of shadowy but arresting figures. Yet one gains the impression that Mr. Shanks has poured into his book a great deal of material that he does not fully understand. He undeniably has great perceptive talent, but he appears to be unconscious of some of his best effects, making an unimportant scene in a restaurant, an idle conversation, more striking than situations vital to the structure of his novel.

What Economic Nationalism Means to the South. By Peter Molyneaux. Foreign Policy Association and World Peace Foundation. 25 cents.

The thesis of this booklet is that, so far as the South is concerned, current plans for "permanent readjustment of economic arrangements" cannot mean anything unless they involve larger foreign markets for cotton. This will undoubtedly hinge upon larger imports to this country, and larger imports in turn will not be possible without a radical lowering of our tariff barriers. Mr. Molyneaux draws a picture of the relative poverty of the South. With roughly one-fourth of the land area and population of the nation, the cotton States have only one-eighth of the wealth. The per capita farm income in the cotton States is half that of the other States. The farm population of the South is sinking in the agricultural scale, for in the era of prosperity the number of owner-operated farms decreased in every cotton State; in half of them there was a decline in the number of share-tenant farms; and in all the number of croppers, who are in fact serfs, increased. Mr. Molyneaux does not think other crops may be satisfactorily substituted for cotton; he believes therefore that continuance of economic nationalism will further degrade the Southern population and as a consequence hold back the nation. The opposition of the cotton South to the protective tariff is of course historic. It takes on added force today, since the South has made important advances in manufactures, and since every country shows the effects of tariff strangulation. Here is an exhibit which the Administration must heed.

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